









# Japanese investors take bonuses abroad

Brokers are moving into high-yielding foreign bonds and currency deposits, writes Emiko Terazono

During Japan's asset "bubble" of the late 1980s it was stocks. When the Tokyo stock market crashed in 1990 it was bank debentures. And after the Kobe earthquake early this year it was gold. But this winter, Japanese investors are chasing higher returns abroad.

As Japanese office workers have received their winter bonuses this month, financial institutions have been boosting their sales efforts. Because of record low domestic interest rates and prospects for a weaker yen, Japanese investors are turning to high-yielding foreign bonds and foreign currency deposits, especially in

Australian dollars, US dollars and German marks.

Mrs Kyoko Aoyama, an office worker who was hit by the stock market plunge in 1990, recently bought German Bunds worth ¥500,000 (\$4,900) with a 4.65 per cent coupon.

"I had been wondering what to do - I think German bonds offer better returns with relatively little risk," she says.

An estimated ¥2,000bn in foreign bonds were sold to retail investors during the first half of the fiscal year to September four to five times higher than in the past few years, according to an official at Nomura Securities.

An increasing number of

people who rely on interest for income, including pensioners, have started to buy foreign bonds, according to Yamachi Securities.

"The elderly are supposed to be one of the most conservative investor segments, but low interest rates are forcing them to look for higher returns," says an official.

Securities houses say that along with the high yields, foreign bonds are highly marketable because of the simple risk structure.

"As long as you are offering paper with a high credit rating, it's easy to explain to the investors that the risks involved are that of the cur-

rency and price fluctuation," says one Japanese broker. Nomura, for instance, only offers its retail clients paper of "triple-A" quality.

Although foreign bonds issued by foreign borrowers were popular earlier in the year because of the lack of currency risk, the apparent bottoming out of the dollar against the yen this summer has prompted investors to turn to foreign currency denominated bonds, with Australian dollar denominated paper leading the way. The high yields attracted investors, including state and corporate borrowers to issue paper in the currency.

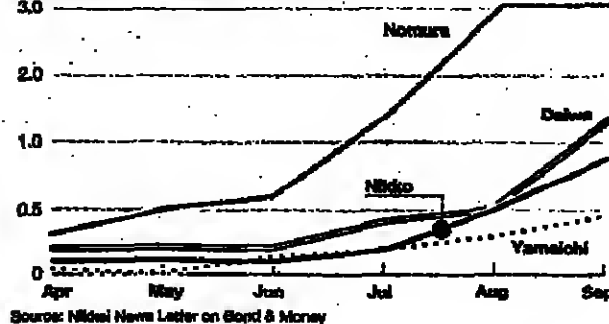
The surge in business has

been a boon for the country's brokers, who have been suffering from lack of activity in the stock market. Foreign bonds are also more profitable. Brokers can make about 4 per cent on foreign bond sales to private investors, compared with 2.5 per cent on domestic stocks.

The active marketing has coincided - not unintentionally - with the maturity of big investments made five years ago, when Japanese interest rates were at a peak. According to Japanese brokers, about ¥20,000bn in financial products, including bank debentures, loan trust accounts and postal savings, will have matured in the second half of this year.

## Japanese retail foreign bond sales

Sales by big four Japanese brokers (Bn)



account. For instance, a depositor opening a ¥500,000 one-month US dollar deposit this month will have 0.25 percentage points added to the 3.8 per cent yield.

But betting on the currency is not for everyone, and some salary earners have chosen to

put their winter bonuses in a foreign product of a more reliable sort. Ms Tamaki Uchida, an office worker, says she wants to buy an imported car. "I'm thinking of having a Volvo. They're supposed to have more safety features than Japanese cars," she says.

## INTERNATIONAL NEWS DIGEST

### Japanese party hit by defectors

Japan's Social Democratic party, second largest member of the three-party ruling coalition, took another step towards break-up yesterday, with the defection of five MPs. The defectors, led by Mr Banri Kaieda, a junior member of the lower house, launched a new party called Citizens League, intended to be the start of a loose coalition of liberals.

Mr Kaieda said they had decided to split because of the frustration of waiting for the SDP to carry out its plans to disband itself and form a new centre-left grouping. The socialists are under pressure to reform after losing the support of much of their traditional electorate among farmers and small retailers since they went into coalition last year with their rivals, the conservative Liberal Democratic party.

The defection reduces the coalition's majority in parliament from 38 to 33 seats, but this will not pose a significant immediate threat. But the move will increase pressure on the SDP to carry out its reform plans, or face further walk-outs.

William Dawkins, Tokyo

### Kyrgyz president in poll test

The central Asian republic of Kyrgyzstan faces a serious test of its post-Soviet political system tomorrow when the republic holds presidential elections, the first time President Askar Akayev, who came to power in 1990, has faced a democratic challenge to his position.

Mr Akayev is regarded in the west as one of the few successful post-reform leaders in former Soviet Central Asia. Since Kyrgyzstan's independence in 1991, he has pressed ahead with a reform programme back by the International Monetary Fund and has won pledges of \$800m from international donors this year. However, he has faced a growing challenge recently, particularly from Mr Absamat Masaliev, the former Communist leader. Mr Masaliev is running against the president in the elections, together with Mr Medetkan Sherimkulov, former parliament speaker. Local observers expect Mr Akayev to win.

The poll has prompted charges of foul play which have sullied Mr Akayev's pro-democracy reputation. Three candidates withdrew from the race last week after a court ruled they had not registered properly.

David Dwyer, Bishkek

### Hong Kong banks cut rates

Hong Kong's housing and retail sectors received a boost yesterday when the colony's main banks cut their prime lending interest rates by 0.5 percentage points to 8.75 per cent. The easing in borrowing costs - the first since 1992 - followed a signal earlier in the week from Hong Kong's monetary authority when it cut its discount rate to reflect this week's 0.25 point fall in US interest rates. The main banks also reduced home loan interest rates by a quarter of a percentage point.

The interest rate cut will be welcomed by Hong Kong's troubled retail sector, but is likely to have come too late to rescue the sector from poor Christmas trading. The poor year for shops was underlined yesterday by the Hongkong and Shanghai Banking Corporation, which, in an end-of-year economic forecast, said it expects consumer spending to rise by only 1.5 per cent this year. In 1994 it expects spending to grow by 3.7 per cent and the economy as a whole by 4.8 per cent.

Mr Jim Wong, the bank's economist, said: "A sharp revival in consumer spending and property prices in the near term is not expected, as the downward adjustment in interest rates will be only limited and the level of unemployment is expected to remain high."

Simon Holberton, Hong Kong

### Argentine jobless level falls

Argentina's unemployment rate fell to 16.4 per cent in November - two percentage points below its record level of six months earlier. The fall was widely expected after preliminary figures released earlier this month showed unemployment in metropolitan Buenos Aires had fallen from 20.2 per cent in May to 17.4 per cent. The surge in unemployment as the Argentine economy slipped into recession and a liquidity crisis sparked by Mexico's peso devaluation a year ago has been a significant source of political pressure on the government, and especially for Mr Domingo Cavallo, the economy minister.

Matthew Davies, Buenos Aires

### Palestinian talks fail

The Palestinian Authority and the militant Hamas movement yesterday failed to reach agreement in four days of talks in Cairo after Hamas refused to take part in Palestinian elections and end attacks on Israel. Both parties issued a joint statement several hours after their talks ended. Hamas said it would not participate in the elections of a Palestinian council but would not block them.

Reidar, Cairo

### Taiwan carrier to buy Boeings

Taiwan's China Airlines said yesterday it would buy six Boeing 737-400 aircraft and had an option to buy another nine, for a total of \$700m. The deal was part of a 10-year plan to build a fleet of 150-seat short- and medium-range aircraft, the company said.

Reuter, Taipei



Senator Dole in reflective mood before budget discussions late on Thursday

## US budget impasse threatens to hit welfare payments

By Jurek Martin in Washington

President Bill Clinton and the leaders of both parties in Congress tried again yesterday to break the budget impasse but the intrusions of ultra-conservative House Republicans continued to pose serious obstacles to any breakthrough.

Confrontation between the president and legislators on specific bills also remained the order of the day. The Senate also passed the radical welfare reform bill approved by the House of Representatives on Thursday.

But the margins in both chambers were well short of the two-thirds required to override a veto, which the White House has made clear is inevitable because the bill, in transferring most administrative powers to the states, ends the 60-year-old federal guarantee of assistance to poor children.

Disagreements between Republicans also posed threats to passage this year of the far-reaching telecommunications bill, apparently agreed by leaders of both parties and

the administration on Wednesday night.

Again, it was conservative Republicans in the House who dug in their heels at the compromise agreement on the grounds that it did not go far enough in dismantling federal regulation of media ownership, including foreign investment in domestic ventures, and over the content of the Internet.

### Intransigence of ultra-conservative Republican congressmen poses serious obstacle to attempts to reach a compromise settlement

Equally, the same group, determined that a balanced budget agreement should precede the return to work of 280,000 federal workers, also held up approval of the local DC budget for a reason not obviously relevant to the finances of the capital - their insistence on the introduction of a school voucher system to

encourage private education.

Even Congresswoman Connie Morella, the Republican representing a Maryland suburb of Washington, said yesterday she found "no sense" and "no logic" to an uncompromising approach that has left many of her constituents without a pre-Christmas pay cheque.

These developments combined for a mood here yesterday prior to the White House meeting of administration officials and congressional leaders that stood in sharp contrast to the optimism prevailing on Wall Street, where both stocks and bonds were sharply higher on the hope that the long confrontation might be nearing an end.

Evidence was also mounting that the budget impasse, together with the shutdown, was beginning to bite nationally. Benefit payments due to be sent out next week to 3.3m veterans and 4.7m families on welfare were threatened because bills funding both government departments are unacceptable to Mr Clinton.

## Congress overrides veto of securities reform law

By Maggie Urry in New York

The US Senate yesterday followed the House of Representatives and voted to override President Bill Clinton's veto of legislation to reform securities litigation. It was the first time the president has had a veto reversed by Congress.

The new law is designed to restrict so-called frivolous suits against companies and their advisers when predictions they have made turn out to be inaccurate. Companies complain that they spend millions of dollars of shareholders' money either defending or settling meritless suits, often launched within hours of a sharp fall in a share price.

However, the legislation was opposed by some consumer groups which believe that it will prevent small investors taking companies which have committed fraud to court. The Consumer Federation of America argued the new law would deny compensation to genuine

victims of fraud.

The law, which came into effect immediately, was welcomed by a range of groups. Mr Kenneth Janke, president of the National Association of Investors Corporation, said "the new law is a bill of rights for small investors" strengthening enforcement against corporate fraud while encouraging the flow of information to investors.

Under the "safe harbour" provisions of the law, companies will be able to make predictions without facing fraud suits if their forecasts prove wrong, so long as they list the assumptions underlying the predictions. The law also removes the "joint and several liability" which has made accountants and other advisers to companies which commit fraud liable for damages.

Since the president vetoed the bill shortly before the mid-night deadline on Tuesday, there has been intense lobbying by both sides attempting to

sway key votes in the Senate. The override by the House of Representatives had been expected because the legislation had been passed by a substantial majority there.

The Senate had initially passed the law by 55-30. A two-thirds majority is required to overturn a presidential veto, meaning that if all 99 Senators had voted it would have taken 66 in favour of overriding the veto to succeed.

The vote in the Senate was 68-30, with one senator abstaining.

Some political analysts yesterday played down the effect of the override on President Clinton's standing. Indeed, some suggested Mr Clinton had vetoed the bill knowing that an override was likely, so as to gain favour with consumer groups.

The legislation had cross-party support. Among those voting in favour of the override was Senator Ted Kennedy, a staunch Democrat.

## Japan's car companies to continue losing ground

By William Dawkins in Tokyo

Japanese car companies will continue to lose domestic market share to foreign producers next year, but at a slower rate, the Japan Automobile Importers' Association said yesterday.

Imports of all vehicles were forecast to rise by 15.4 per cent in 1996, to a record 450,000 units, the association said. Cars would account for 428,000 units.

Foreign producers will be the main beneficiaries of that growth. Imports of cars made by Japanese companies abroad

are forecast to rise less rapidly, by 8.7 per cent to 125,000 vehicles. Imports of foreign marques will rise by 18 per cent to 295,000.

Overall, imports would increase their share of the Japanese market by one percentage point to 11.2 per cent, the report forecast.

The growth in import sales next year will be about half as rapid as the 28 per cent - to 260,000 vehicles - which the association's preliminary figures suggest for this year. Car imports rose 9.1 per cent in 1995, the first rise in three

years, as the yen's appreciation gave imports an automatic price advantage. That was followed by 49.5 per cent import growth in 1994.

The shift towards foreign marques suggests foreign producers are building a more durable marketing base in Japan.

The association said yesterday that this was because an increasing number of foreign models were tailored to Japanese tastes.

There were also more Japanese car dealers prepared to handle foreign cars.

## ILO plans \$80m for Palestinian jobs

By Robert Taylor, Employment Editor

The International Labour Organisation is to spend up to \$80m to help create jobs in the West Bank and Gaza Strip.

The ILO estimates the unemployment rate at up to 29.7 per cent in Gaza and up to 20.1 per cent in the West Bank.

"The employment problem is growing worse as the supply of Palestinian labour increases and demand for it declines," says this year's ILO report on the Palestinians. "The problem must be dealt with urgently and on a large scale lest it create social havoc and undermine prospects of lasting peace in the region."

Mr Michael Hansenne, the ILO director-general, this week likened the effort the Geneva-based organisation intends to take with its assistance programmes to central and eastern Europe after the collapse of communism and to South

Africa with the abolition of apartheid.

Mr Hansenne is to visit Saudi Arabia and Kuwait next month to press both governments to lift their ban on Palestinian workers imposed during the Gulf war.

The ILO is planning a three-part strategy. It involves working with universities and similar bodies persuading Israel to re-open its labour market to Palestinians, and "co-ordinating" a technical assistance pro-

gramme with the World Bank. Among the schemes the ILO intends to fund are:

- The development of an employment programme to balance supply and demand of labour.
- A plan of infrastructure development in the Gaza Strip.
- Creation of small enterprises.
- Help in establishing a department of labour and vocational training.
- Assistance in the develop-

ment of trade unions and chambers of commerce.

- Rehabilitation of Palestinian ex-detainees through employment counselling and job-search assistance with ILO officers working in alliance with non-governmental organisations, universities and training centres.
- A plan for the employment of disabled workers.
- The provision and training of contract workers in the Gaza Strip.

For any further information and for the Confidential Offering Memorandum, interested parties may apply to the head office of the liquidating company.

GREEK EXPORTS S.A., 1 Eristothelous Street, 4th floor, Athens, Greece. Tel: +30-1-726.0210, 726.0278, 726.0291 and Fax: +30-1-726.0864.



## NEWS: UK

## Government sends tough 'run-off' warning to Names

By Ralph Atkins, Insurance Correspondent

The British government yesterday issued a tough warning to hard-hit Names with the Lloyd's of London insurance market. It said control of their assets could be transferred to the government if Lloyd's sought to cut their losses by defaulting on policy claims.

The message from the Department of Trade and Industry appears intended to

rally Names - individuals whose assets have traditionally supported Lloyd's - behind the insurance market's radical recovery plan. The department

## LLOYD'S

LLOYD'S OF LONDON

hints strongly that if, as some Names suggest, the insurance market stopped underwriting new business and avoided paying claims, Lloyd's would be

declared insolvent. The government would then use its powers "to ensure policyholders' valid claims were paid as fully as possible".

Its intervention comes as tensions mount ahead of the implementation, due next spring, of Lloyd's recovery plan, which is intended to secure the future of the market. Lossmaking and litigating Names have warned that a £2.8bn (\$4.3bn) out-of-court settlement offer is insufficient.

Uncertainty also remains over the cost of Equitas, a reinsurer company which will take over heavy outstanding liabilities.

With Lloyd's having reported losses of more than £8bn in recent years, and Equitas is expected to cost a further £2bn, the idea that Lloyd's should go into "run-off" - stopping new business - has gained momentum.

But in a letter to Sir David Berriman, chairman of the

Association of Lloyd's Members, the Department of Trade and Industry says such a move is "liable to lead to a rapid crystallisation of claims which would increase the likelihood of the solvency requirements being breached".

In those circumstances, Lloyd's would be required to draw up a plan which restored "the effective solvency" of every defaulting Name. It says the chief industry minister could require that sufficient

assets "were, at the very least, held in trust to prevent their dissipation... It would not be acceptable for Names only to provide funds when claims were due." Powers under the 1982 Insurance Companies Act would be used "where necessary to allocate Names' assets to protect the interests of policyholders".

But Mr Christopher Stockwell, chairman of the Lloyd's Names Association's Working Party, an umbrella organisation

for loss-making Names, argued last night that those powers need not be invoked. "Their powers are discretionary," he said. "They don't have to intervene in great clod-hopping boots. They won't want to if it requires court action against thousands of members of the electorate."

The DTI denies that Lloyd's business could be transferred swiftly to new companies outside the old Lloyd's. Authorisation, it says, could take a year.

## Funding refusal may scupper opera house project

By Roland Adenham in Cardiff

Plans for a world-class opera house in Cardiff, the capital of Wales, face collapse after the Millennium Commission caused a furious row yesterday by refusing to provide National Lottery funding towards the £26m (£13.2m) project. The commission is the body created to organise the official celebrations of the start of the 21st century.

The unexpected decision was announced by Mrs Virginia Bottomley, who is national heritage secretary and the commission's chairman. The decision caused dismay in Cardiff, where the waterfront opera house is intended to attract visitors and investment to the regenerated docklands. Mrs Bottomley said she shared the disappointment but uncertainties over the finance, construction and design made the project too risky. Lord Crickhowell, chairman of the opera house trust, denounced the decision as "shocking and incomprehensible" and warned that the project could fold.

Lord Crickhowell, who was chief minister for Wales in the Thatcher government of the 1980s, clashed with Mrs Bottomley at a news conference where she announced £48m of awards. They included the commission's fifth "national landmark" grant which will provide up to £21.5m towards a £67m seed bank at the Royal Botanic Gardens at Kew in south-west London. The second-largest grant, of up to £14.5m, will partly fund a project to create a coastal park near Llanelli in west Wales.

The 1,750-seater Cardiff opera house, planned to open in March 2000, would be a centre for the performing arts and a permanent home for Welsh National Opera.

The scheme has already received about £2m of government funding. But in the past year it has been damaged by wrangles over its "crystal necklace" design by the architect Zaha Hadid. There has also been a £46m bid to replace the sports ground at Cardiff Arms Park with a "superstadium" to host the rugby world cup in 1999.

Many in Cardiff believed the commission was unlikely to fund both the opera house and the stadium. The Welsh Rugby Union and local authorities campaigned for the stadium as "the people's choice". The commission rejected a first bid by the stadium supporters but they were invited to submit a revised scheme. A decision is expected in February.

Lord Crickhowell said he had no doubt that if the opera house proposal had been in London, the commission would have made the grant. The trust had bid for £20m, but he said, "all that we have asked the commission to risk at this stage is £2.75m in order to eliminate over the next year any significant uncertainties that remain."

He told Mrs Bottomley he failed to understand why this would not be done. Later, he said: "Wales has suffered very badly and Welsh people will share my anger at what has happened."

Mr Anthony Freud, Welsh National Opera general director, said: "It is too good a prospect to die." Sir Geoffrey Inkin, chairman of Cardiff Bay Development Corporation, called it "a disappointing setback." Mr Alan Michael, Labour MP for Cardiff South & Penarth and an opera house trustee, described the decision as "incomprehensible." The trustees will meet the commission next week.

Mrs Bottomley announced eight other grants for environmental and community projects, the largest being up to £2.5m to conserve magnesium limestone cliffs in East Durham, north-east England.

## Nation thirsts for jackpot prizes

Andrew Adonis examines the impact of the National Lottery

This has been the year of the National Lottery. Thirteen months after its launch, everyone is trying to come to terms with its social implications. The lottery's success has exceeded all expectations. At £4.4bn (\$6.6bn), ticket sales for the first year are equal to the entire national transport budget. On one estimate, 30m people now play the lottery regularly - two-thirds of the country's adult population.

"It has been the most successful launch of any lottery in the world," says the Henley Centre consultancy group in a report published this week, entitled *How Far Can It Go?* A lot further, seems to be the answer. "In 1996 we can look forward to continued roll-out of terminals, more games, mid-week draws and the still-to-be-felt full power of the Camelot marketing machine," the group concludes.

So is Britain a nation of gamblers and long-odds dreamers desperate for new ways to indulge its passions? Such a verdict would be excessive. The average lottery bet among players for the weekly draw is only £2.33. It is the number playing, not the amount spent by most players, that has defied expectations.

Nonetheless, the lottery is revealing a surprising amount about contemporary British society. And not just about the punters. Only half of lottery revenue is returned in prizes: most of the rest - £1.2bn in the first year - goes to the so-called "good causes". The distribution of this money speaks volumes about the dynamics of Britain's social and political elite.

Perhaps the least revealing

discovery of the lottery is that most people enjoy a flutter. Gambling has long been a feature of upper- and working-class life. "Betting is generally prevalent in the United Kingdom," noted a parliamentary inquiry on gambling in 1902.

As early as 1851, £1m is said to have changed hands on the Chester Cup, then the most important horse racing handicapper of the year. On one estimate, four-fifths of the working class gambled regularly before the first world war.

What distinguishes the present lottery is not so much its scale, but its mindless character and its cross-class appeal. Mr Ross McKibbin, a social historian at Oxford university, stresses that, historically, both the horses and the football pools were a way of giving "intellectual structure to free time".

"Men who excelled in it attained the same kind of relative status as those who excelled, for example, in the middle-class professions." By contrast, winning lottery jackpots is sheer luck. In this sense it is a facet of modern escapism, culture, propagated by the mass media and elevated into a shared national experience through the Saturday draw on television.

Advertising by Camelot, the consortium which runs the lottery, plays on the elements of fantasy and shared experience. Mr Ray Stone, lottery analyst at the Henley Centre, stresses its media impact. "The lottery

has produced a new genre of programmes. While the Saturday night live draw programme is a unique kind of entertainment, the country's thirst for jackpot prizes has led to a new sub-genre of game shows. *Raising the Roof* is the first game show with a huge jackpot prize, and is likely to be the first of a whole range of new game shows."

In the process, the lottery has brought respectable gaming to the middle class, the bedrock of the "moral majority" in times past. Mr Michael Hart, a politics fellow at Exeter College, Oxford, believes this too is a result of recent social change. "Taking risks with money, and getting into debt, are far more fashionable among professionals than 20 years ago, and are related to the development of the property and stock markets."

Is, then, everyone gambling together in Mr John Major's classless society? Only up to a point. Lottery fever is least pronounced among professionals. The proportion of the AB professional and managerial class taking part is far lower than for other social groups; those ABs who play spend a far smaller proportion of their income.

The distinction is starker still if household income is used as the yardstick. According to Camelot, the average weekly bet among players from households with income of between £6,500 and £15,599 (£24,020) a year is £2.49. That is 50.14 more than the average bet

of those from households with more than £15,600.

However, this picture is turned upside down when it comes to distributing the 28 per cent of lottery revenue reserved for five "good causes" - charities, the arts, sports, national heritage and the Millennium Fund, dedicated to prestige projects for the 21st century.

For a snapshot of the "great and the good" in mid-1990s Britain, it is hard to beat the catalogue of people - mostly men - who distribute the lottery largesse. The Heritage Lottery Fund, with some £5m a week to spend, is the most extreme case. Chaired by Lord Rothschild (fourth baron, educated Eton and Christ Church, Oxford, former chairman of the National Gallery Trustees), its 14 members include two peers, five knights or dames, a professor and a commander.

The fund's first significant decision was to spend £13m on acquiring Sir Winston Churchill's papers from his family. Stunned by the hostile public reaction, the trustees reviewed their acquisition policy. But it has not prevented them from spending millions on paintings from rich families. They could hardly do otherwise. Picassos, Dalis and Magittes tend to belong to rich people. Once the "national heritage" had been designated a "good cause", much of the money was bound to be spent in this way.

London's premier cultural institutions have done extraordinarily well out of the lottery, with three of the five funds for "good causes" tailor-made for them (arts, national heritage and the Millennium Fund). The



Royal Botanic Gardens at Kew yesterday joined the list, gaining a £21m millennium award.

A recent official study of the distribution of lottery proceeds by region, across all five "good causes", showed London and

the south-east, with 21 per cent of the population, receiving 40 per cent of grants, while the north-east, north-west and midlands combined, with nearly one-third of the population, gained 15 per cent.

Furthermore, most of this cultural funding is entirely new. The arts world has complained loudly of cuts in direct government funding, but these have been minute compared with the gain from the lottery.

## WEEKEND BUSINESS

LESLEY SUMNER 0171 873 3308

CHARLES WHITWOOD 0171 873 3503

## BUSINESSES FOR SALE

N. Holman & Sons Limited  
N. Holman & Sons (Ship Repairers) Limited  
(In Receivership)  
Penzance

## Ship Repair &amp; Engineering Business

The business and assets of these long established family companies are available for sale:

- Dry Dock capacity 75m x 12m
- BS EN ISO 9002
- Annual turnover £1.9m
- Skilled labour pool available locally
- Strategic geographical position
- Specialities - MOD - coasters - fabrication and conversion work

For further details please contact the Administrative Receiver:  
Duncan Swift, Grant Thornton,  
Cobourne House, Mayflower Street,  
Plymouth PL1 1LG.

Tel: 01752 669911. Fax: 01752 665414.

## Grant Thornton

The UK member firm of Grant Thornton International. Authorised by the Institute of Chartered Accountants in England and Wales to carry on investment business.

## Home &amp; Office Software

## CHART WORLD MARKETS WITHOUT MODEMS

SnapDragon is the ultimate cost-effective way to chart world markets. Using paper technology - to plot currencies, indices and futures - all for just £140 a month. No dishes. No lines. No hidden charges. No competition.

Call now on 0171 522 2205 Fax 0171 522 0095  
M.D.C., 19/21 Great Tower Street, London EC3R 5AQ.

## CENTRAL SOFTWARE

## UNIT TRUST SYSTEM

Robust Networked Package  
Recommended by Top Fund Managers  
Complete functionality  
Multi-currency  
Multi-lingual Correspondence  
European and Arabic  
High Star Productivity  
A totally modern economic platform for IT efficiency

John Ormond Central Software  
Tel: 01624 624957 Fax: 01624 623703  
881 Northway PC11 Select 400  
01763 244 256 Fax: 01763 244548

## "ADAPT TO SURVIVE"

SUMMIT for Windows is a fully adaptive trading software which automatically computes current market conditions based on the sophisticated principles of information theory and sophisticated digital filters. It gives reliable display for portfolio analysis and spotting three dimensional graphics. Reads nine different data formats. Intraday daily or weekly BUY, SELL and STOP-LOSS. High reward to risk ratio.

From: John Ormond, the author of MESA.  
For a FREE DEMO disk call MESA (UK)  
Tel: 0181 303 2860 Tel 0181 303 7407

## ACT: THE SALES

## MANAGEMENT SYSTEM

• Tracks all your Client Contact  
• Prompts all your actions  
• Has full WP, Modem, Fax support  
• DOS, WINDOWS, NETWORKS, MAC.  
• Training, Consultancy, Support, Product  
• Don't complain compare  
ASK FOR THE OBKAO DISC  
Brown and Company  
Tel: 01522 488444  
Fax: 01522 488333

## FINALLY: REAL-TIME

## DATA YOU CAN AFFORD

## STOCKS, CURRENCIES,

## BONDS, DERIVATIVES AND

## NEWS

Tenore provides global real-time financial data direct to your PC at the lowest possible cost. Our Windows platform facilitates seamless interfacing with other Windows applications.

Available across Europe  
Call Tenore UK on 0171 405 451

## FOREX FAX

Foreign exchange market latest Market updates, previews, reviews, prices, charts. As much detail as you can digest. As often as you like or just once a day. Cost per line only £1.50. Minimum subscription only £45. 130 letters. We do not make recommendations.  
Details and samples (24 hrs)  
Tel: 0181 476 5051  
Fax: 0181 476 5055

## UNIVERSAL EXOTICS

## OPTIONS, SWAP, YIELD,

## ZERO-CURVE ADD-INS

Additional spreadsheet functions for Financial Markets Professionals using Lotus 1-2-3 and Excel (Windows, OS/2, Mac) European and American style options and warrants on bonds, commodities, currencies, futures and shares.  
Prices range from £98 to £249.  
PDS - Financial Systems Software  
A Division of PDI Limited  
The Royal House, 12th floor  
Leadenhall Square  
London EC3A 3RN  
Tel: +44 (0) 171 - 600 6033  
Fax: +44 (0) 171 600 4102

## SELECT 400

## LIFE ADMINISTRATION

## SYSTEM

Robust Networked Package  
Unit Linked Universal Life  
Complete functionality  
Multi-currency  
Multi-lingual Correspondence  
High Star Productivity  
Integrated Life Quotations  
A totally modern economic platform for IT efficiency

John Ormond Central Software  
Tel: 01624 624957 Fax: 01624 623703  
881 Northway PC11 Select 400  
01763 244 256 Fax: 01763 244548

## CENTRAL SOFTWARE

## RETAIL BANKING SYSTEM

Robust Networked Package  
Selected by five of the largest UK Building Societies  
Complete functionality  
Multi-currency  
Multi-lingual Correspondence  
On-Line Signature Verification  
A totally modern economic platform for IT efficiency

John Ormond Central Software  
Tel: 01624 624957 Fax: 01624 623703  
881 Northway PC11 Select 400  
01763 244 256 Fax: 01763 244548

## STAR is all you need!

From only £3.95 p.w. this modular program, from Synnergy Software, offers full valuation and charging facilities for 3500 instruments. No other package can combine as much to your investments. For management of LSE equities, IT's. Warrants. Currencies or indices STAR offers unbeatable value. To find out why, please telephone 01522 454222 and ask for an information pack.

## Pain-free Data Collection

To get the most from your investment software package you must input your data. To find out why, please telephone 01522 454222 and ask for an information pack.

## UK NEWS DIGEST

## Sinn Féin protests at jail decision

Sinn Féin, the political wing of the Irish Republican Army, accused the government of the Republic of Ireland of using prisoners as "bargaining counters". The complaint came after the government's decision on Thursday to cancel the release of nine convicted IRA members. A government official said the move was in response to this week's two murders in Belfast, capital of Northern Ireland, which have been widely attributed to the IRA. Officials said the decision was taken by the cabinet on Wednesday before the visit to the republic on Thursday by Mr John Major, the British premier. They said the decision was unrelated to the Irish police's operation to foil a series of planned bank raids by IRA units around the country.

The opposition Fianna Fail party, which hitherto has called for more flexibility on the prisoners issue, endorsed the decision to rescind the releases. The government announced that 16 terrorists were being given between three and 14 days of temporary Christmas parole. John Murray Brown, Dublin

## Man in 'arms to Iraq' case is refused bail in S Africa

Mr Paul Grecian, one of four British businessmen cleared by the Court of Appeal in London last month of illegally exporting arms to Iraq, must remain in jail in South Africa while the US government attempts to extradite him to face similar charges, a Johannesburg magistrate ruled yesterday. Refusing bail, the court said Mr Grecian, the former managing director of Ortec, the collapsed UK engineering company, might flee South Africa. Having previously worked for the UK intelligence services, Mr Grecian might be able to obtain a false

passport, the magistrate said. Mr Grecian faces charges in the US of conspiring to breach export regulations by attempting to supply artillery fuses to Iraq. Mr Grecian pleaded guilty to a similar offence in the UK in 1992 but his conviction was overturned.

John Mason, Law Courts Correspondent

## Six win damages from defunct Murdoch paper

Six directors of PowerGen, the electricity generator, received a public apology and undisclosed libel damages over an article about the directors of privatised companies which appeared in the Today newspaper. The article was published on November 17, the day the newspaper closed. It alleged that Mr Ed Wallis, chief executive, and five other directors of the privatised company had cashed in share options while "in possession of a secret five-year plan which forecast dire profit figures". The defendants, Mr Rupert Murdoch's News (UK), acknowledged that there was "absolutely no truth in the accusation implicit in the article that either Mr Wallis or his co-directors had exercised their share options whilst in the possession of precise price sensitive information". The PowerGen directors are suing The Observer newspaper over similar allegations.

David Wighton, Financial Staff

## Police deluged with knives in weapons amnesty

Bayonets, swords and old-fashioned razors are among the hundreds of weapons handed in to police in the first three days of the national knife amnesty. The amnesty was announced after the fatal stabbing in a melee two weeks ago outside a London school of Philip Lawrence, the school's headmaster. Police in the northern England city of Manchester said yesterday that weapons were being handed in at the rate of about 75 a day. A bayonet dated from 1907 was handed in at one police station and a rusty sword at another. A spokesman for Sussex police, who are co-ordinating the four-week amnesty, said: "We're trying to persuade young people carrying knives for their own protection that they should get rid of them."

PA News

## 'A lot of fishermen cheat to survive'

By Deborah Hargreaves and George Parker

Mr John Major, the prime minister, was urged by a senior Conservative MP yesterday to press for sweeping reforms to the Common Fisheries Policy of the European Union. The call came after ministers in Brussels had agreed severe cuts in quotas for key species.

Mr David Harris, chairman of the Tory backbench fisheries committee and MP for St Ives on the south-west coast of England, warned that the policy could descend into anarchy as many fishermen were faced with the choice of cheating on quotas or going bankrupt. Brit-

ish fishermen face cuts in quotas for species such as plaice and sole in spite of the success of the UK's fishing minister, Mr Tony Baldry, in softening the blow at the EU fisheries council.

Euro-sceptic MPs in the governing Conservative party claimed that the quota cuts agreed in Brussels proved that the policy was beyond reform and that Britain should reclaim its 200-mile territorial fishing limit.

The government's humiliating defeat over the fisheries policy in the House of Commons on Tuesday night at the hands of Conservative Euro-rebels may help to convince Mr

Major that the issue needs to be seriously addressed.

Mr Harris agrees with Mr Baldry that Britain cannot simply pull out of the CFP, but he says a reliance on quotas is not the best way to conserve stocks. "A lot of fishermen cheat to survive," he said. "Not all fishermen do, but if you have the bank on your back, you have to cheat. They are in a desperate situation."

Mr Harris says the designation of no-fishing zones during spawning seasons, technical measures such as the use of square-mesh nets and greater national control over coastal waters would be a better way to conserve stocks. Cheating,

or landing so-called "black" fish, is already ingrained in an industry where quotas are slashed from year to year to try to conserve fish stocks. Some estimates put the number of "black" fish landed at 50 per cent of the legitimate catch. "It depends who you fear most, the fisheries inspector or the bank manager," said Mr Barrie Deas, chief executive of the National Federation of Fishermen's Organisations, yesterday.

Trawler-owners face fines of up to £50,000 (£77,000) or the prospect of their fishing licences being revoked if they are caught over-fishing, but quotas are hard to police.



# Mission Energy buys First Hydro for £653m

By David Wighton

Mission Energy of the US has agreed to pay \$653m for First Hydro, the pumped storage business formerly owned by the National Grid. It topped bids from Scottish Hydro Electric and fellow US company Dominion Energy.

The price is much higher than the \$500m the City originally expected, although the National Grid valued it at \$465m last month when owner-

ship was passed to the 12 regional electricity companies. However, Mission's advisers said that its tax situation gave it greater flexibility to offer a high price.

The deal is a landmark both for Mission and for the UK electricity market, in which First Hydro plays an important role.

Although Mission has made similar sized acquisitions elsewhere, this marks its largest single investment in Europe.

Mission has investments in 80 projects with generation capacity of 6,000MW. First Hydro will add a further 2,000MW and make it one of the largest independent generators in the UK.

Mission is part of SOG Corp, a quoted US group valued at about \$6bn (\$3.8bn) which also owns Southern California Edison, one of the largest electric utilities in the US. In common with many other US electricity groups, Mission has

started looking overseas in the search for higher returns.

Most of Mission's projects are in the US but in recent years it has been expanding aggressively in Asia. This year it has invested \$250m in a \$2.5bn project in Indonesia and signed deals in India and Australia.

Its moves in Europe have so far been more modest. It has been active in the UK since the turn of the decade and in 1991 was one of 13 companies which expressed interest

in buying some of Northern Ireland's generating capacity.

It looked at a number of other opportunities but currently only has investments in two small gas stations, Rosneath - where Norweb owns the remaining 20 per cent - and Derwent, with combined capacity of 440MW.

Not only has Mission won the auction for First Hydro, it is also one of the four final bidders for three of National Power's stations, worth

more than £1bn, with 4,000MW of capacity. If it won that auction it would be the fourth largest generator in the UK after National Power, PowerGen and the nuclear stations.

Mission is also looking at opportunities elsewhere in Europe. In April, it hopes to start construction of a 500MW plant in Sicily, which will burn gasified waste oil, and it is close to finalising the financing of a 100MW gas-fired co-generation plant in Istanbul.

## Sugden leaves Geest

By Patrick Harveron

Mr David Sugden, the Geest chief executive who has terminated the sale of the group's banana business for £147.5m, is stepping down after more than five years.

Mr Michael Dowdall, chairman, will assume his role until a replacement is found. The banana business has been sold to a joint venture between the Windward Islands and Fyffes, the Dublin-based company. Geest said Mr Sugden, 44, was leaving because the business would be "less complex" after the sale. His rolling two-year contract, worth a total of £200,000, would be honoured.

Although some in the City professed surprise at the speed of his departure, others said it made sense for Geest to make changes. Mr Sugden joined the company 10 years ago, and although he helped build up the convenience foods and banana businesses, he also presided over a decline in profits at the latter, which was undermined by competition, bad weather and disease.

However, he was applauded yesterday for getting a good price for the banana business - more than the £130m-£140m expected - realising a £21.5m profit. The shares jumped 39p to 192p. Analysts said the increase also reflected hopes that Geest might become a takeover target. The shares were not affected by the retraction of a warning that 1995 operating profits would be substantially below expectations.

See Lex

## British Land pays £121.5m for rest of Broadgate

By Andrew Taylor, Construction Correspondent

British Land has gained full control of almost 2m sq ft of prime City office space in the Broadgate and Ludgate office developments. The property investment company, chaired by Mr John Rithal, yesterday advanced negotiations to refinance the debt at a reduced interest rate with the scheme's bankers. Some 60 banks originally funded the development.

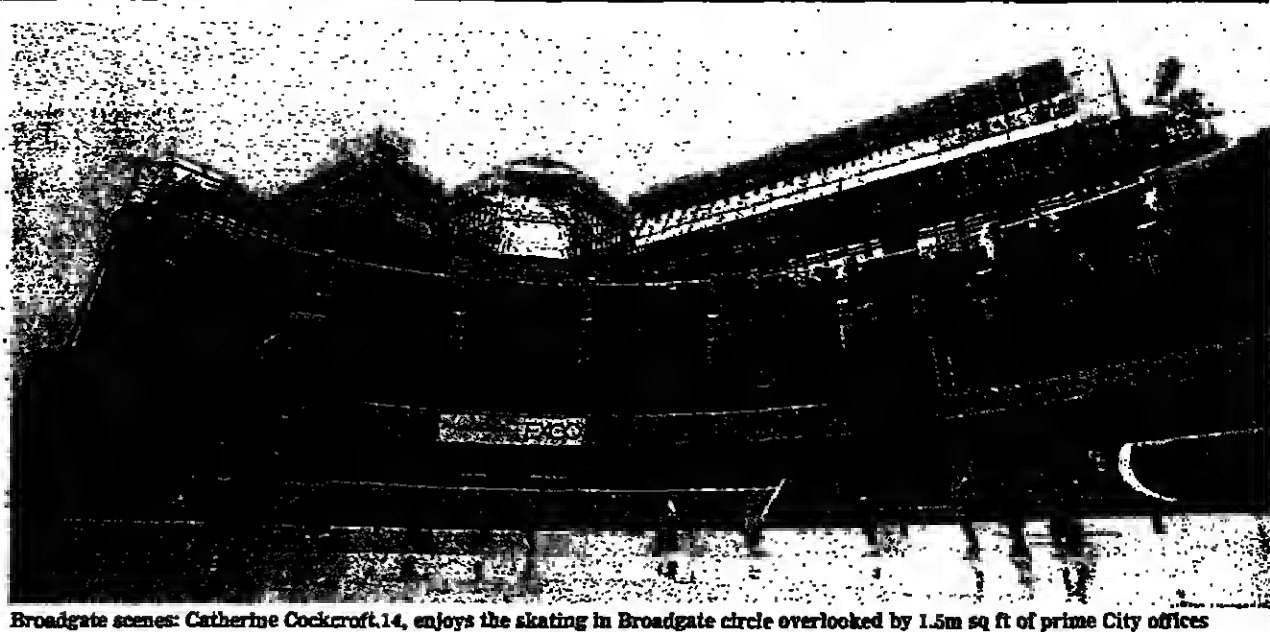
The purchase represents a new peak for Mr Rithal, who steered British Land back from the brink of collapse in the early 1990s. It now stands on the fringes of the FTSE 100 index, having overhauled MFC as the UK's second largest property company behind Land Securities.

The deal comes when top-quality office space is in short supply in central London. City

shareholders, gives the company 1.5m sq ft of offices at Broadgate and another 500,000 sq ft at Ludgate with a combined open-market value of £1.04bn and debts of £795.7m excluding loans from shareholders.

British Land said it was in advanced negotiations to refinance the debt at a reduced interest rate with the scheme's bankers. Some 60 banks originally funded the development. The purchase represents a new peak for Mr Rithal, who steered British Land back from the brink of collapse in the early 1990s. It now stands on the fringes of the FTSE 100 index, having overhauled MFC as the UK's second largest property company behind Land Securities.

The deal comes when top-quality office space is in short supply in central London. City



Broadgate scenes: Catherine Cockcroft, 14, enjoys the skating in Broadgate circle overlooked by 1.5m sq ft of prime City offices

rents are estimated to have increased by 30 per cent in the last two years. The two developments have a combined vacancy rate of only 4 per cent. However, the Broadgate buildings are no longer new and face renewed competition from developments in Lon-

don's former docklands. Mr Rithal said yesterday: "We are very pleased to have secured Broadgate at a time when City rents are rising and believe that British Land's portfolio is now very well-structured."

Broadgate Properties in the year to the end of June made a pre-tax loss of £14.4m after exceptional items of £10.6m.

Last month British Land announced it was raising £222.5m through a placing and open offer of shares at 370p to help to fund the purchase of Rosehaugh's stake

and other acquisitions. In March the company raised £210m through a placing and open offer at 350p to finance the Stanhope deal. The value of Broadgate properties to its shareholders was booked at £245m at the end of June.

See Lex

## MBO at Lep after NFC talks fail

By Geoff Dyer

Lep International, the freight forwarding business, has been sold to its management after the breakdown of negotiations with NFC, the transport and logistics group.

The deal, for a nominal sum, marks the disposal of the last operating company of Lep Group, opening the way to the winding-up of the heavily indebted holding company, Mr

David James, the company doctor who has chaired Lep for the last three years, confirmed that there would be no funds available to shareholders. The Stock Exchange has been asked to delist the shares, suspended in June at 3p.

NFC, which announced in October that it had provisionally agreed to buy Lep International, said there had been "no one issue" that had led to pull out of talks. It said the

company would have been a good strategic fit with its existing activities, but it was not now rushing to buy another freight forwarding company.

Mr James said that the talks had ceased "by mutual agreement". Lep International, which made operating profits of £4.4m in 1994, carried on average £5m of goods a day and had annual sales of £1.2bn. The management team's bid did not require significant

financial backing. Mr James said, as the company was supported by 30 separate banking arrangements around the world. The company had debts of some £30m, which were modest in comparison to group debts of about £340m.

Lep's other operation, National Guardian Corporation, the US security services company, was sold to Ameritech Monitoring Services in October.

## Hepworth expands with deals in Europe and China

By Andrew Taylor, Construction Correspondent

Hepworth, the building materials group, has increased its involvement in the European central heating sector by buying a 33.3 per cent stake in Hermann, an Italian boiler maker, for £4.8m.

Hermann is based in Piacenza, northern Italy, and made £1.3m after tax in 1995. It

has net assets of £3.7m. The vendors can sell the outstanding Hermann shares to Hepworth any time in the next three years.

Hepworth has also paid £7.8m to buy Centaure, the French maker of aluminium ladders and other access equipment. It has also entered two ventures in China, one to make water pipes and one to make domestic gas boilers.

## Tate & Lyle pays salary and pension

By William Lewis

Sir Neil Shaw, executive chairman of Tate & Lyle, the sugars and sweeteners group, is receiving payments from his company pension as well as salary and an annual bonus, the company's annual report reveals.

Payments to Sir Neil from the pension scheme, established by Redpath, the group's Canadian subsidiary, commenced in 1992 and increase by 5 per cent annually.

However, the size of the pension payments to Sir Neil, who is to remain as chairman of Tate & Lyle until 1998, are not disclosed in the accounts. During the past three years more than £2m has been contributed by Tate & Lyle to fund a deficit in Sir Neil's pension fund "identified when his pension commenced in 1992".

In the 53 weeks to September 30 Tate & Lyle paid a pension contribution of £220,000 to Sir Neil, as well as salary, benefits and annual bonus totalling £516,000.

Sir Neil is 66 but a remuneration consultant said yesterday it was "relatively unusual" for directors to receive payments from pensions while still working as executive directors.

The company said last night that implementation of the Greenbury report on executive pay had led to it disclosing the pension payments. "He is receiving a pension," it said, but no other Tate & Lyle director is receiving pension payments. The annual report states "no additional pension benefits have accrued to Sir Neil in the year".

It also shows Tate & Lyle gave money to three political parties last year - £15,000 to the Conservatives, £7,500 to Labour and £2,500 to the Liberal Democrats. "The board believes that political parties should be state funded and not have to rely on their historical sources for income," the report states. "As this structure does not currently prevail, they have decided to support all three major parties."

## Season's Greetings

BRISTOL &amp; WEST BUILDING SOCIETY

Bristol &amp; West Building Society is a member of the Building Society Association and is authorised by the Financial Services Authority to accept deposits and provide mortgages.

Bristol &amp; West Building Society is a member of the Building Society Association and is authorised by the Financial Services Authority to accept deposits and provide mortgages.

Bristol &amp; West Building Society is a member of the Building Society Association and is authorised by the Financial Services Authority to accept deposits and provide mortgages.

Bristol &amp; West Building Society is a member of the Building Society Association and is authorised by the Financial Services Authority to accept deposits and provide mortgages.

Bristol &amp; West Building Society is a member of the Building Society Association and is authorised by the Financial Services Authority to accept deposits and provide mortgages.

Bristol &amp; West Building Society is a member of the Building Society Association and is authorised by the Financial Services Authority to accept deposits and provide mortgages.

Bristol &amp; West Building Society is a member of the Building Society Association and is authorised by the Financial Services Authority to accept deposits and provide mortgages.

Bristol &amp; West Building Society is a member of the Building Society Association and is authorised by the Financial Services Authority to accept deposits and provide mortgages.

Bristol &amp; West Building Society is a member of the Building Society Association and is authorised by the Financial Services Authority to accept deposits and provide mortgages.

Bristol &amp; West Building Society is a member of the Building Society Association and is authorised by the Financial Services Authority to accept deposits and provide mortgages.

Bristol &amp; West Building Society is a member of the Building Society Association and is authorised by the Financial Services Authority to accept deposits and provide mortgages.

Bristol &amp; West Building Society is a member of the Building Society Association and is authorised by the Financial Services Authority to accept deposits and provide mortgages.

Bristol &amp; West Building Society is a member of the Building Society Association and is authorised by the Financial Services Authority to accept deposits and provide mortgages.

Bristol &amp; West Building Society is a member of the Building Society Association and is authorised by the Financial Services Authority to accept deposits and provide mortgages.

Bristol &amp; West Building Society is a member of the Building Society Association and is authorised by the Financial Services Authority to accept deposits and provide mortgages.

Bristol &amp; West Building Society is a member of the Building Society Association and is authorised by the Financial Services Authority to accept deposits and provide mortgages.

Bristol &amp; West Building Society is a member of the Building Society Association and is authorised by the Financial Services Authority to accept deposits and provide mortgages.

Bristol &amp; West Building Society is a member of the Building Society Association and is authorised by the Financial Services Authority to accept deposits and provide mortgages.

Bristol &amp; West Building Society is a member of the Building Society Association and is authorised by the Financial Services Authority to accept deposits and provide mortgages.

Bristol &amp; West Building Society is a member of the Building Society Association and is authorised by the Financial Services Authority to accept deposits and provide mortgages.

Bristol &amp; West Building Society is a member of the Building Society Association and is authorised by the Financial Services Authority to accept deposits and provide mortgages.

Bristol &amp; West Building Society is a member of the Building Society Association and is authorised by the Financial Services Authority to accept deposits and provide mortgages.

Bristol &amp; West Building Society is a member of the Building Society Association and is authorised by the Financial Services Authority to accept deposits and provide mortgages.

Bristol &amp; West Building Society is a member of the Building Society Association and is authorised by the Financial Services Authority to accept deposits and provide mortgages.

Bristol &amp; West Building Society is a member of the Building Society Association and is authorised by the Financial Services Authority to accept deposits and provide mortgages.

Bristol &amp; West Building Society is a member of the Building Society Association and is authorised by the Financial Services Authority to accept deposits and provide mortgages.

Bristol &amp; West Building Society is a member of the Building Society Association and is authorised by the Financial Services Authority to accept deposits and provide mortgages.

Bristol &amp; West Building Society is a member of the Building Society Association and is authorised by the Financial Services Authority to accept deposits and provide mortgages.

Bristol &amp; West Building Society is a member of the Building Society Association and is authorised by the Financial Services Authority to accept deposits and provide mortgages.

Bristol &amp; West Building Society is a member of the Building Society Association and is authorised by the Financial Services Authority to accept deposits and provide mortgages.

Bristol &amp; West Building Society is a member of the Building Society Association and is authorised by the Financial Services Authority to accept deposits and provide mortgages.

Bristol &amp; West Building Society is a member of the Building Society Association and is authorised by the Financial Services Authority to accept deposits and provide mortgages.

Bristol &amp; West Building Society is a member of the Building Society Association and is authorised by the Financial Services Authority to accept deposits and provide mortgages.

Bristol &amp; West Building Society is a member of the Building Society Association and is authorised by the Financial Services Authority to accept deposits and provide mortgages.

Bristol &amp; West Building Society is a member of the Building Society Association and is authorised by the Financial Services Authority to accept deposits and provide mortgages.

Bristol &amp; West Building Society is a member of the Building Society Association and is authorised by the Financial Services Authority to accept deposits and provide mortgages.

Bristol &amp; West Building Society is a member of the Building Society Association and is authorised by the Financial Services Authority to accept deposits and provide mortgages.

Bristol &amp; West Building Society is a member of the Building Society Association and is authorised by the Financial Services Authority to accept deposits and provide mortgages.

Bristol &amp; West Building Society is a member of the Building Society Association and is authorised by the Financial Services Authority to accept deposits and provide mortgages.

Bristol &amp; West Building Society is a member of the Building Society Association and is authorised by the Financial Services Authority to accept deposits and provide mortgages.

Bristol &amp; West Building Society is a member of the Building Society Association and is authorised by the Financial Services Authority to accept deposits and provide mortgages.

Bristol &amp; West Building Society is a member of the Building Society Association and is authorised by the Financial Services Authority to accept deposits and provide mortgages.

Bristol &amp; West Building Society is a member of the Building Society Association and is authorised by the Financial Services Authority to accept deposits and provide mortgages.

Bristol &amp; West Building Society is a member of the Building Society Association and is authorised by the Financial Services Authority to accept deposits and provide mortgages.

## Barclays sells French loans

Barclays said it had sold more than half of its remaining portfolio of French property loans to a consortium of investors.

The sale includes 193 property loans for office and housing developments, mostly in the Paris area, with a gross book value of £1.1bn.

The buyers are Lehman Brothers Holdings, Cargill Financial Services and La Salle Partners. The portfolio will be

managed La Salle and Société Générale.

But Barclays will retain an even more troubled and geographically haphazard collection of property loans with a book value of £92m which has been excluded from the sale.

Barclays said that it had made provisions amounting to 64 per cent of its overall French property portfolio at

the end of 1994. But the portfolio it will be left with is even more heavily provisioned.

Nevertheless, Barclays said the sale would have no significant effect on the group's consolidated accounts.

Although Barclays officials refused to give a sale price, it is understood to have held out for a payment exceeding 60 per cent of face value.

## Lloyd's publishing raises £83m

Details of the £83m sale of Lloyd's of London's publishing subsidiary to a management buy-out team were being finalised last night, writes Ralph Atkins.

The disposal is part of fund raising linked to the insurance market's recovery plan, which includes a £2.8bn offer to loss-making and litigating members. Lloyd's is also considering the sale and leaseback of its building.

Lloyd's of London Press publishes the shipping and insurance newspaper, Lloyd's List, which was founded in 1784 and is the UK's oldest daily newspaper. The newly independent company will use the Lloyd's title under licence. The MBO is led by Mr Iain Lindsay-Smith, chief executive of Lloyd's of London Press and formerly a deputy editor of The Observer newspaper.

The other main potential bidders were Emap, the media company, and the Economist group.

## Euromoney disposal

Euromoney Publications, the publishing, training and exhibitions group, yesterday announced the sale of its Aus-

tralian seminar and conferences business to management for £6.9m.

The deal comes less than a month after Euromoney reported a 25 per cent decline in annual profits, largely due to AIC of Australia. The unit lost £471,000 pre-tax on turnover of £33.6m following an ill-judged overseas expansion and tough trading conditions.

Euromoney said it was selling its 75 per cent stake in AIC to a group of managers led by the business's founder, Mr Tony Steel, because the operation had diverged from the group's core strategy.

AIC increasingly focused on organising seminars and conferences covering domestic and national events in the markets in which it operated, whereas Euromoney preferred to concentrate on cross-border publishing and training.

A final dividend of 18p makes a total of 34p (13p) on earnings per share of 60.5p (24.5p).

## Ashbourne leaseback

Ashbourne has agreed with Abbey Life Assurance Company for the sale and leaseback of five of its nursing homes for £16.8m cash.

The leases are for 35 years and the aggregate initial annual rent payable will be about £1.65m. The homes are Lauriston House, Bromley;

Burges House, Cardiff; Markfield Court, Markfield; Eastwood Court, Giffnock; and Warren Park, Largs.

Ashbourne said the proceeds would repay bank borrowings. The deal is subject to shareholders' approval.

## Kelsey doubles

Kelsey Industries, the electronic sundries, roofing and motor components company, saw pre-tax profits for the year to September 80 more than double to £3.14m on turnover ahead from £50.1m to £82.6m, in line with forecasts.

The Hertfordshire-based company said sales increased in all of the Multicore group, especially its range of solder creams. Industrial roofing reported record turnover, while the automotive components division made progress. A final dividend of 18p makes a total of 34p (13p) on earnings per share of 60.5p (24.5p).

## Savoy Hotel sale

Savoy Hotel has sold Forest Mere, its health hydro, to Henlow Grange the Bedfordshire health hydro operator, for £1.7m cash.

Two interested parties stepped forward after a £2.1m management buy-out last through earlier this year. Last year Forest Mere's pre-tax losses were £136,000 and period-end net assets were £2.2m.

## Eurotunnel talks make slow progress

By William Lewis and Geoff Dyer

Negotiations between Eurotunnel and its banks are making only slow progress, Sir Alastair Morton, co-chairman of the Anglo-French operator of the Channel tunnel, indicated yesterday.

He said that Eurotunnel still hoped to provide a "progress report" to shareholders about the financial negotiations at the end of January "if things stay to plan". However, he warned: "We and Mr Patrick Fosse, Eurotunnel's other co-chairman, were 'holding our own' in the negotiations. Sir Alastair said that in January "we shall have to report how much we have held our own".

The company and the four agent banks held a further round of meetings with the leading banks in the syndicate on Monday and Tuesday to discuss progress in producing a financial plan.

Sir Alastair also said that there were "the beginnings of a plan, it would be fair to say" and that he and Mr Patrick Fosse, Eurotunnel's other co-chairman, were "holding our own" in the negotiations. Sir Alastair said that in January "we shall have to report how much we have held our own".

## Frogmore disposal

Frogmore Estates has disposed of its freehold investment property at West Thurrock, Essex, to Ravenscroft Industrial Estates, a subsidiary of Land Securities, for £1.8m cash. Rental income attributable to the property at the date of disposal was £1.5m.

## Season's Greetings

BRISTOL &amp; WEST BUILDING SOCIETY

Bristol &amp; West Building Society is a member of the Building Society Association and is authorised by the Financial Services Authority to accept deposits and provide mortgages.

Bristol &amp; West Building Society is a member of the Building Society Association and is authorised by the Financial Services Authority to accept deposits and provide mortgages.

Bristol &amp; West Building Society is a member of the Building Society Association and is authorised by the Financial Services Authority to accept deposits and provide mortgages.

Bristol &amp; West Building Society is a member of the Building Society Association and is authorised by the Financial Services Authority to accept deposits and provide mortgages.

Bristol &amp; West Building Society is a member of the Building Society Association and is authorised by the Financial Services Authority to accept deposits and provide mortgages.

Bristol &amp; West Building Society is a member of the Building Society Association and is authorised by the Financial Services Authority to accept deposits and provide mortgages.

Bristol &amp; West Building Society is a member of the Building Society Association and is authorised by the Financial Services Authority to accept deposits and provide mortgages.







## COMMODITIES AND AGRICULTURE

## Copper price still at a premium

Pun and games in the London Metal Exchange's copper market are likely to continue for another month or two, analysts suggest. Only then will there be some easing in the present tightness of supplies for immediate delivery, and they predict copper's cash price will come crashing down.

For the time being, consumers are being asked to pay a premium for copper for immediate delivery. This backwardation, as the situation is known in the jargon, has been as much as \$300 a tonne.

So there was a great deal of nervousness on Wednesday.

When an unscheduled LME board meeting was held and rumours suggested the subject was the exchange's recent decision to allow a 10 per cent discount on the price of copper for immediate delivery, the market was in a state of confusion. Some traders expected the LME board to step in and limit the backwardation. In the event, this did not happen.

The backwardation has been big enough to attract a great deal of extra copper into LME warehouses - a rise of 17,626 tonnes in the exchange's stocks was reported yesterday.

This might be only a temporary phenomenon, however. "The metal has been lent rather than sold," says Mr. Wiktor Bielecki, analyst at BNP & Paribas, a Deutsche Bank subsidiary. "Consequently, significant withdrawals (from copper stocks) are likely in the first two to three weeks of January as producers and consumers reclaim their metal. We expect the current market tightness to roll into the first quarter of 1996 and the backwardation could once again

move above \$300 a tonne."

Mr. Ted Arnold, analyst at Merrill Lynch, says that "many observers, including ourselves, suspect that the backwardation will be over by the end of January. Once the market discovers there are no big cash buyers, when that happens the vast bulk of the market will turn sellers. Prices will go down to \$2,200 to \$2,400 a tonne at that stage, he predicts.

Yesterday, copper for immediate delivery closed at \$2,361 a tonne while three-month copper was \$2,601.50, leaving the backwardation at \$240.50.

LME users were given a warning six months ago about the likely turmoil to be caused by the tightness of copper supplies. Mr. Raj Bagri, LME chairman, promised his board would deal severely with any organisation that attempted to use its financial weight to tip the stocks and distort prices.

Mr. Bagri said: "With the huge amount of money floating around financial markets at present, anybody can make a mockery of a futures market. That we will not allow to happen."

He pointed out that his board had the right to take whatever steps were necessary to ensure that the exchange's markets remained orderly. He also warned those who might sell short that the LME board was not there to bail them out.

Coffee prices on the London Commodity Exchange slid to 19-month lows this week of \$1.740 a tonne, but regained some of their losses in later trading to finish the week at \$1.790 a tonne.

Traders have been pushing coffee prices down for several weeks in expectation of a bumper crop next year. But a report by German commodity group, FO Licht, on Thursday estimated that world stocks for 1995-96 would fall sharply to 38.84m bags from 1994-95 stocks of 47.62m bags. This led some of the market to expect a fall in prices in the near future and there could be a rebound in the New Year.

Kenneth Gooding and Deborah Hargreaves

## BASE METALS

## LONDON METAL EXCHANGE

(Prices from Amman Metal Trading)

## ALUMINIUM 99.7% (per tonne)

	Cash	1995-96	1996-97
Close	1689.50	1694.50	1694.50
Previous	1689.50	1694.50	1694.50
High	1694.50	1694.50	1694.50
Low	1689.50	1694.50	1694.50
Open	1689.50	1694.50	1694.50
Settle	1689.50	1694.50	1694.50
Open int.	208,000		
Total daily turnover	25,000		

## ALUMINIUM ALLOY (per tonne)

	Cash	1995-96	1996-97
Close	1430.50	1470.75	1470.75
Previous	1430.50	1470.75	1470.75
High	1470.75	1470.75	1470.75
Low	1430.50	1470.75	1470.75
Open	1430.50	1470.75	1470.75
Settle	1430.50	1470.75	1470.75
Open int.	1,000		
Total daily turnover	1,000		

## LEAD (per tonne)

	Cash	1995-96	1996-97
Close	725.50	720.50	720.50
Previous	725.50	720.50	720.50
High	720.50	720.50	720.50
Low	725.50	720.50	720.50
Open	725.50	720.50	720.50
Settle	725.50	720.50	720.50
Open int.	1,000		
Total daily turnover	1,000		

## ZINC (per tonne)

	Cash	1995-96	1996-97
Close	1011.50	1024.50	1024.50
Previous	1011.50	1024.50	1024.50
High	1024.50	1024.50	1024.50
Low	1011.50	1024.50	1024.50
Open	1011.50	1024.50	1024.50
Settle	1011.50	1024.50	1024.50
Open int.	1,000		
Total daily turnover	1,000		

## COPPER (per tonne)

	Cash	1995-96	1996-97
Close	2361.50	2601.50	2601.50
Previous	2361.50	2601.50	2601.50
High	2601.50	2601.50	2601.50
Low	2361.50	2601.50	2601.50
Open	2361.50	2601.50	2601.50
Settle	2361.50	2601.50	2601.50
Open int.	1,000		
Total daily turnover	1,000		

## LME CLOSING 25 DEC 1995

Spot 1.5391 3 mth 1.5392 6 mth 1.5393 9 mth 1.5393

## HIGH GRADE COPPER (COMEX)

	Cash	1995-96	1996-97
Close	1297.50	1310.00	1310.00
Previous	1297.50	1310.00	1310.00
High	1310.00	1310.00	1310.00
Low	1297.50	1310.00	1310.00
Open	1297.50	1310.00	1310.00
Settle	1297.50	1310.00	1310.00
Open int.	1,000		
Total daily turnover	1,000		

## PRECIOUS METALS

## LONDON GOLD MARKET

(Prices supplied by N M Rothschild)

## GOLD (per ounce)

	Cash	1995-96	1996-97
Close	367.25	367.25	367.25
Previous	367.25	367.25	367.25
High	367.25	367.25	367.25
Low	367.25	367.25	367.25
Open	367.25	367.25	367.25
Settle	367.25	367.25	367.25
Open int.	1,000		
Total daily turnover	1,000		

## SILVER (per ounce)

	Cash	1995-96	1996-97
Close	16.80	16.80	16.80
Previous	16.80	16.80	16.80
High	16.80	16.80	16.80
Low	16.80	16.80	16.80
Open	16.80	16.80	16.80
Settle	16.80	16.80	16.80
Open int.	1,000		
Total daily turnover	1,000		

## PLATINUM (per ounce)

	Cash	1995-96	1996-97
Close	1,100.00	1,100.00	1,100.00
Previous	1,100.00	1,100.00	1,100.00
High	1,100.00	1,100.00	1,100.00
Low	1,100.00	1,100.00	1,100.00
Open	1,100.00	1,100.00	1,100.00
Settle	1,100.00	1,100.00	1,100.00
Open int.	1,000		
Total daily turnover	1,000		

## PALLADIUM (per ounce)

	Cash	1995-96	1996-97
Close	1,100.00	1,100.00	1,100.00
Previous	1,100.00	1,100.00	1,100.00
High	1,100.00	1,100.00	1,100.00
Low	1,100.00	1,100.00	1,100.00
Open	1,100.00	1,100.00	1,100.00
Settle	1,100.00	1,100.00	1,100.00
Open int.	1,000		
Total daily turnover	1,000		

## NICKEL (per tonne)

	Cash	1995-96	1996-97
Close	1,100.00	1,100.00	1,100.00
Previous	1,100.00	1,100.00	1,100.00
High	1,100.00	1,100.00	1,100.00
Low	1,100.00	1,100.00	1,100.00
Open	1,100.00	1,100.00	1,100.00
Settle	1,100.00	1,100.00	1,100.00
Open int.	1,000		
Total daily turnover	1,000		

## Precious Metals continued

## GOLD COMEX (100 Troy oz. \$/troy oz.)

	Cash	1995-96	1996-97
Close	367.25	367.25	367.25
Previous	367.25	367.25	367.25
High	367.25	367.25	367.25
Low	367.25	367.25	367.25
Open	367.25	367.25	367.25
Settle	367.25	367.25	367.25
Open int.	1,000		
Total daily turnover	1,000		

## SILVER COMEX (100 Troy oz. \$/troy oz.)

	Cash	1995-96	1996-97
Close	16.80	16.80	16.80
Previous	16.80	16.80	16.80
High	16.80	16.80	16.80
Low	16.80	16.80	16.80
Open	16.80	16.80	16.80
Settle	16.80	16.80	16.80
Open int.	1,000		
Total daily turnover	1,000		

## PLATINUM COMEX (50 Troy oz. \$/troy oz.)

	Cash	1995-96	1996-97
Close	1,100.00	1,100.00	1,100.00
Previous	1,100.00	1,100.00	1,100.00
High	1,100.00	1,100.00	1,100.00
Low	1,100.00	1,100.00	1,100.00
Open	1,100.00	1,100.00	1,100.00
Settle	1,100.00	1,100.00	1,100.00
Open int.	1,000		
Total daily turnover	1,000		

## PALLADIUM COMEX (50 Troy oz. \$/troy oz.)

	Cash	1995-96	1996-97
Close	1,100.00	1,100.00	1,100.00
Previous	1,100.00	1,100.00	1,100.00
High	1,100.00	1,100.00	1,100.00
Low	1,100.00	1,100.00	1,100.00
Open	1,100.00	1,100.00	1,100.00
Settle	1,100.00	1,100.00	1,100.00
Open int.	1,000		
Total daily turnover	1,000		

## NICKEL COMEX (100,000 lbs. \$/100,000 lbs.)

	Cash	1995-96	1996-97
Close	1,100.00	1,100.00	1,100.00
Previous	1,100.00	1,100.00	1,100.00
High	1,100.00	1,100.00	1,100.00
Low	1,100.00	1,100.00	1,100.00
Open	1,100.00	1,100.00	1,100.00
Settle	1,100.00	1,100.00	1,100.00
Open int.	1,000		
Total daily turnover	1,000		

## HEATING OIL NYMEX (42,000 US gal. \$/barrel)

	Cash	1995-96	1996-97
Close	1.10	1.10	1.10
Previous	1.10	1.10	1.10
High	1.10	1.10	1.10
Low	1.10	1.10	1.10
Open	1.10	1.10	1.10
Settle	1.10	1.10	1.10
Open int.	1,000		
Total daily turnover	1,000		

## CRUDE OIL NYMEX (42,000 US gal. \$/barrel)

	Cash	1995-96	1996-97
Close	1.10	1.10	1.10
Previous	1.10	1.10	1.10
High	1.10	1.10	1.10
Low	1.10	1.10	1.10
Open	1.10	1.10	1.10
Settle	1.10	1.10	1.10
Open int.	1,000		
Total daily turnover	1,000		

## NATURAL GAS NYMEX (10,000 cu ft. \$/10,000 cu ft.)

	Cash	1995-96	1996-97
Close	1.10	1.10	1.10
Previous	1.10	1.10	1.10
High	1.10	1.10	1.10
Low	1.10	1.10	1.10
Open	1.10	1.10	1.10
Settle	1.10	1.10	1.10
Open int.	1,000		
Total daily turnover	1,000		

## UNLEADED GASOLINE NYMEX (42,000 US gal. \$/barrel)

	Cash	1995-96	1996-97
Close	1.10	1.10	1.10
Previous	1.10	1.10	1.10
High	1.10	1.10	1.10
Low	1.10	1.10	1.10
Open	1.10	1.10	1.10
Settle	1.10	1.10	1.10
Open int.	1,000		
Total daily turnover	1,000		

## FUTURES DATA

All futures data supplied by CME.

## GRAINS AND OIL SEEDS

## WHEAT LCE (5,000 bushels \$/bushel)

	Cash	1995-96	1996-97
Close	1.10	1.10	1.10
Previous	1.10	1.10	1.10
High	1.10	1.10	1.10
Low	1.10	1.10	1.10
Open	1.10	1.10	1.10
Settle	1.10	1.10	1.10
Open int.	1,000		
Total daily turnover	1,000		

## WHEAT CBT (5,000 bushels \$/bushel)

	Cash	1995-96	1996-97
Close	1.10	1.10	1.10
Previous	1.10	1.10	1.10
High	1.10	1.10	1.10
Low	1.10	1.10	1.10
Open	1.10	1.10	1.10
Settle	1.10	1.10	1.10
Open int.	1,000		
Total daily turnover	1,000		

## MAIZE CBT (5,000 bushels \$/bushel)

	Cash	1995-96	1996-97
Close	1.10	1.10	1.10
Previous	1.10	1.10	1.10
High	1.10	1.10	1.10
Low	1.10	1.10	1.10
Open	1.10	1.10	1.10
Settle	1.10	1.10	1.10
Open int.	1,000		
Total daily turnover	1,000		

## BARLEY LCE (5,000 bushels \$/bushel)

	Cash	1995-96	1
--	------	---------	---



## COMMENT &amp; ANALYSIS

## FINANCIAL TIMES

Number One Southwark Bridge, London SE1 9HL  
Tel: +44 171-873 3000 Telex: 922186 Fax: +44 171-407 5700

Saturday December 23 1995

## The price of peace

The Financial Times will not be published on Monday or Tuesday. That will surprise few readers in the West but may require explanation further afield. Though a secular newspaper, catering for a worldwide readership, the FT is also part of a society fashioned by centuries of Christian belief and practice. How many of its readers or writers now believe or practise Christianity it is not our business to enquire. But enough of them are attached to Christmas as a family holiday for it to be appropriate that we observe it.

In Turkey, where a Moslem people governs itself through secular institutions, Christmas is remote enough for a general election to be held tomorrow without inconvenience, other than that caused by the weather. Yet the election is being held on a Sunday because, like many other non-Christian countries, Turkey observes the Christian weekly day of rest. That is simply a matter of convenience, as indeed, is the use of the Christian Era, along with the Greco-Roman calendar. Today's global society results from the expansion of European culture, partly mediated through north America, which includes a huge Christian legacy. Within Christianity it became conventional in the early Middle Ages to date the birth of Christ on December 25, conveniently grafting celebrations of Christianity's central doctrine (the incarnation of God as a human being) on to pre-Christian winter solstice festivals. In northern Europe and north America, where people most need something to cheer them up in mid-winter, Christmas has come to be the high event of the Christian year. As an occasion for giving presents, eating and drinking it has taken on a life largely disconnected from Christianity.

### Self-indulgence

Laments about this "commercialisation" of what is supposed to be a religious festival have themselves become part of the ritual. Christianity stresses self-sacrifice and care for the unfortunate, but Christmas has become an occasion for self-indulgence, which makes the unfortunate feel even more isolated and neglected than usual. That in turn triggers another human feeling, guilt, which Christianity has imparted over the centuries, and which charities skillfully exploit. Another value traditionally associated with Christmas is peace. Christians like to think of this as a "Christian" value, but often they have found religious justifications for making war. War, it seems, is deeply embedded in human nature. If Christians

have had so little success in overcoming it, that may be because the costs of pursuing peace are often underestimated, whereas the cost of waging war is well understood. We tend to think of peace as simply a matter of abstaining from war, which we believe to be our natural inclination in any case. There would be peace, we think, if only others would be more like us.

### Unarmed struggle

Alas, there is more to it than that. War is rooted in the conflicts, injustices, fears and mutual misperceptions that abound in the world. Whoever hopes to achieve peace must tackle those evils head on. Peace is not an easy option. True pacifism involves an unarmed struggle, which often requires greater courage than the armed variety. "I favour non-violent resistance, but it is better to resist violently than not at all," says the American Christian pacifist Jim Wallis.

Yitzhak Rabin was no pacifist, but he paid with his life for his determination to achieve peace between peoples whose history seemed to condemn them to perpetual war. His death paradoxically has helped ensure that this Christmas will be the first in 29 years to be celebrated in Bethlehem, without the presence of Israeli occupying troops.

None of the signatories of the Dayton agreement can be sure of avoiding a similar death, any more than the soldiers who are now arriving in Bosnia to try and make it work.

Last week, a 10-foot graffiti appeared in West Belfast, threatening Gerry Adams, the Sinn Féin leader, with the fate of an earlier Irish republican, Michael Collins - killed after he signed the treaty with Britain in 1921. Ending wars is difficult, dangerous and often expensive. Preventing them can be cheaper, but also less glamorous. It requires not only diplomacy but also, as Senator Gareth Evans, the Australian foreign minister, told London's Royal Institute of International Affairs this week, "peace building": action to confront the causes of disputes and conflicts.

This means working to improve the structures of co-operation between countries, and within them to improve the effectiveness of institutions, to ensure respect for minorities, to eliminate discrimination, above all to achieve sustainable economic development. To devote more effort to such tasks would be a good resolution for all UN members to make, as the UN's 50th anniversary year draws to its close.

# Boar that left havoc in its wake

An extraordinary sequence of events over the past year has shaken some of Japan's most cherished values, says William Dawkins

**T**he year of the boar, popularly held to be a harbinger of trouble, has been one most Japanese would prefer to forget. It has seen Japan's most cherished values - stability, faith in being part of a group and respect for authority - shaken by an extraordinary sequence of chance events and self-inflicted catastrophes.

In the past 12 months, according to Mr Hotaka Katahira, a professor of marketing science at Tokyo University, "we suddenly found that we no longer have a coherent national system of values".

The sequence started in the early hours of a January morning with the Kobe earthquake, in which 5,504 people died and a big chunk of Japan's industrial heartland was demolished.

The authorities' slow rescue effort and initial reluctance to accept foreign help confirmed many people's fears that the government is ill-equipped to carry out one of its most basic duties: handling a crisis. It also made the public realise that officials were wrong to claim that modern Japanese buildings and roads were constructed to quake-proof standards.

No sooner had the fires of Kobe died down when there was a lethal gas attack on the Tokyo subway by Aum Shinrikyo, a previously obscure mystical cult. This killed 11 people and made another 5,000 ill. The attack by Aum, run by science graduates from some of Japan's best universities, was widely seen as a threat to the order of one of the world's most orderly societies.

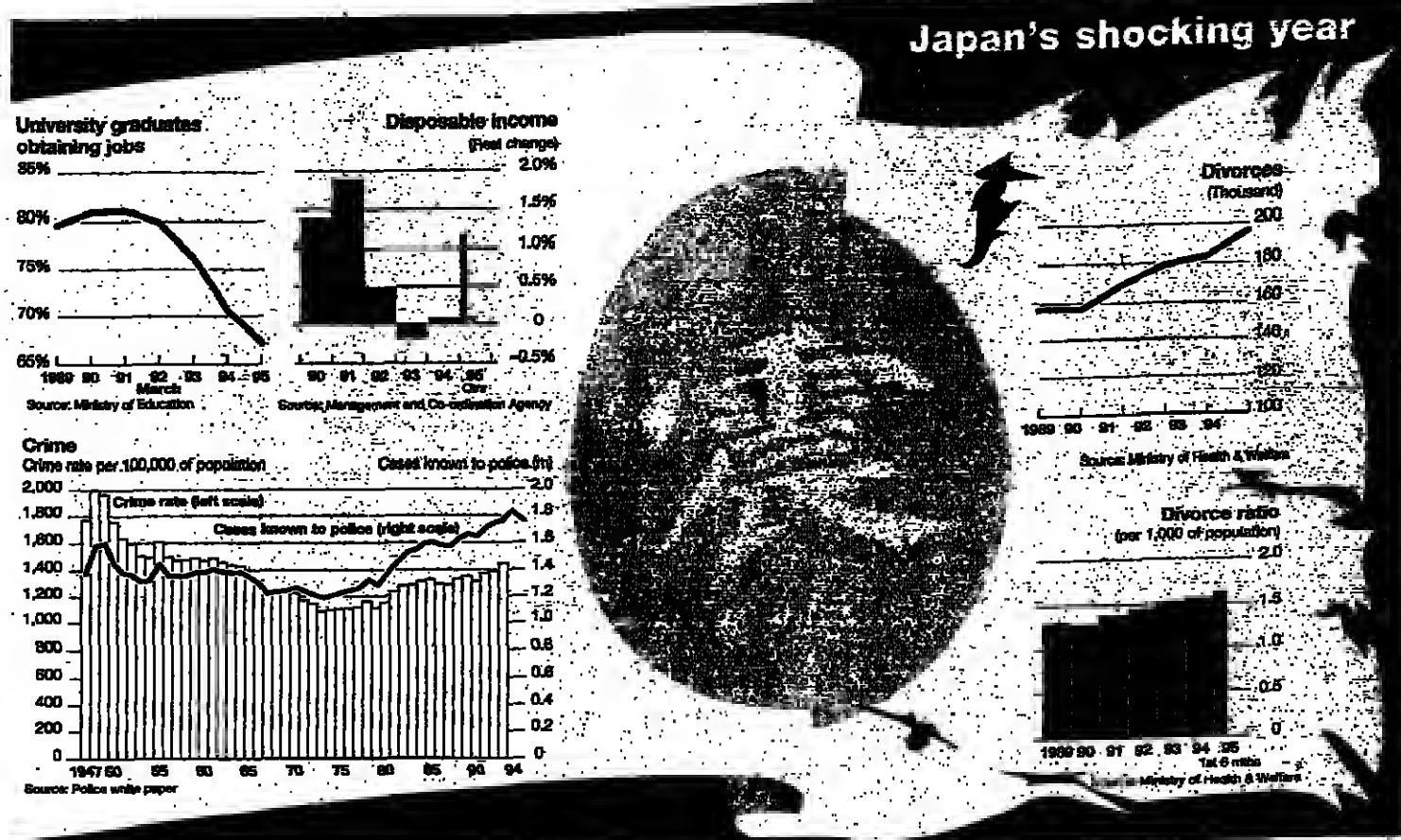
The next blow to stability was an economic one. In April, when the yen suddenly surged to a new high of ¥79.75 against the dollar. Oddly, this was in part a sign of investors' lack of confidence in Japan's recovery, since it reflected their belief that demand for imports would not be strong enough to bring down the trade surplus. It increased the pressure on Japanese industry to move to cheaper locations overseas and whipped up fears of rising unemployment in a society long accustomed to jobs for all.

The exchange rate has since eased to a more manageable ¥102 to the dollar. But the currency storm was a reminder that Japan's economic competitiveness is vulnerable to the whims of financial markets as capricious as earthquakes.

Finally came a blow to the conventional belief in the safety of banks with the collapse of five financial institutions. All were wiped out by non-performing loans used to purchase over-valued property bought at the end of the 1980s before the subsequent slump in asset prices.

For the first time ever, the government did not attempt to revive the casualties - although it bailed out depositors. In adopting this stance, it was taking the first step in its new policy of gradually withdrawing state protection from the banking industry.

Some of these traumas highlight



a change that has been taking root in Japan over several years. Once an isolated haven of consensus, mutual obligation and order, Japanese society has become less protected and controlled, more market-driven and more outspoken.

The transition implies pain as well as rewards, and so far distress has predominated. The proportion of Japanese who feel satisfied with society has nearly halved from an already very low level to just 6.5 per cent over the past year, according to an annual poll by Hakuhodo, an advertising agency. When asked to choose a kanji character that best described social conditions in 1995, a sample of Kyoto residents picked *shita*, meaning shock.

Such attitudes reflect longer-term trends in addition to the big events that have grabbed this year's headlines. The divorce rate has risen to a record 1.57 per 1,000, although it is still well below western levels. Suicides have started to climb after declining in the 1980s; so has the crime rate.

Many Japanese are starting to wonder where this difficult transition is leading. They are divided over whether the country will recover and scale new heights of prosperity, as it did after previous upheavals.

Optimists include Mr Katahira, who believes 1996 has been a year of creative destruction. Japan's hardships will stimulate long-overdue market and social changes, he argues. For the same reason, Mr Kiyooki Kikuchi, a former United Nations ambassador who advises Matsushita, the world's largest con-

sumer electronics company, believes 1996 was in many ways "a blessing in disguise".

Among the pessimists, Mr Yotaro Kobayashi, chairman of Fuji Xerox, the US-Japanese office equipment maker, warns that the public has not suffered enough to force politicians to undertake the radical economic deregulation needed to unlock growth. Because of this political inertia, he predicts there is a more than 50 per cent chance of another recession in the next two years.

**D**espite its rising suicide and crime rates, Mr Kobayashi argues that Japan has had a uniquely, and maybe dangerously, painless recession. Real incomes have actually risen nearly 4 per cent over the past five years. At worst, according to the government's latest five-year economic plan, unemployment could rise from its present record 3.2 per cent to 3.75 per cent. "The danger is that people say to themselves: 'If this is the worst that can happen, why change?'" Mr Kobayashi says.

But there is one point on which pessimists and optimists agree. The past year has shown how the protective frontiers of state, company and social group have buckled back. This can be seen in the ways in which three important groups - business, consumers and politicians - have handled recent events.

Business lobbies have stepped up demands for deregulation, arguing more strongly than in the past that official red tape has become an

impediment rather than the safety net it was originally designed to be.

"For the first time, the private sector is embracing responsibility for itself and government intervention is getting weaker," says Mr Shinji Fukukawa, a former vice industry minister who now heads Dentsu Institute for Human Studies, a think tank.

The widening discrepancy in the profits earned by good and bad banks and industrial companies in the past year is another testament to the erosion of the system in which all moved in harmony, he says. Under Japan's so-called "convey" system, there was an unwritten agreement that published write-offs and extraordinary losses should be kept within set limits to give an appearance of stability.

A similar trend is apparent in the way those companies reward employees. A gap between the pay of over- and under-performing staff is being allowed to open, as more companies - including Mitsubishi Corporation and Sony - shift from seniority-based salaries to merit awards.

Consumers too have started to discriminate more sharply. Trusted but high-priced brands have started to lose market share to cheaper new goods. Discount retailers have advanced at the expense of traditional high-priced department and corner stores.

Mr Katahira of Tokyo University believes there are now two kinds of consumer. The new generation seeks product value and has fickle tastes; the old is loyal to reliable brands. New generation traits have

tended to predominate more over the past year, he says.

Consumers' growing assertiveness is paralleled by their elected representatives. The prime example is Mr Ryutaro Hashimoto, minister of trade and international industry, who won plaudits for beating off US demands last summer for a guaranteed rise in car exports to Japan. He was rewarded in September with the top job in the Liberal Democratic party, the dominant member of the government coalition.

The political opposition, the New Frontier party, has shown a similar trend towards more assertive leadership. It is embroiled in a leadership election, to be decided next week, in which the two rivals are - unusually - conducting an animated policy debate.

This is a break with the old tradition in which leaders were chosen, like consumer products, for a reliable brand image. Neither candidate plans to appoint his rival deputy leader, which breaks with another tradition - that losers be appeased in the interests of consensus.

The erosion of Japan's long-standing system of values is seen to be both good, in that it might stimulate much-needed innovation, and dangerous, in that it creates an atmosphere from which violent individualists, such as the leaders of Aum Shinrikyo, can emerge.

Many Japanese believe that 1995 was only the start of a profound long-term change. Next comes the year of the rat. This is said to be less rough than the year of the boar - but nobody is counting that it will turn out that way.

## LETTERS TO THE EDITOR

Number One Southwark Bridge, London SE1 9HL

We are keen to encourage letters from readers around the world. Letters may be faxed to +44 171-873 5938 (please set fax to 'fine'). e-mail: letters.editor@ft.com Translation may be available for letters written in the main international languages.

### Asda is out of step over Sunday pay, not the GMB

From Ms Donna Covey.

Sir, Your article on Archie Norman, chief executive of Asda ("Asda faces threat of industrial conflict", December 13) misses the point about the Sunday pay issue.

Asda's decision to cut Sunday premiums goes beyond a dispute with a trade union.

At the time of the debate on the Sunday trading bill, a number of leading retailers under the auspices of the Shopping Hours Reform Council, signed a commitment to maintain "current premium rates" for Sunday working. A number of MPs have since indicated that their voting behaviour in the debate was influenced by this undertaking.

By cutting Sunday premiums Asda has broken ranks with other retailers. Many MPs now feel they were misled into voting for the Sunday Trading Act by the Shopping Hours Reform Council agreement.

The GMB represents 30,000 Asda members. Our job is to protect them, particularly so on an issue like Sunday trading, where parliament, taken in by Asda's false promises, failed to provide any legal protection.

The support we have received from thousands of Asda shoppers who have signed our petition asking Asda to reverse their decision, tell us that it is Asda, not the GMB, which is out of step with the times.

Donna Covey,  
national officer,  
GMB  
22-24 Worpole Road,  
London SW19 4DD, UK

### Time to abolish Common Fisheries Policy

From Rogvaldur Hannesson.

Sir, While waiting for a connecting flight I had the pleasure of reading about the fish vote in the Commons.

The episode illustrates well what is wrong with the Common Fisheries Policy. It turns fish quotas into an issue of prestige instead of being the subject of rational calculation and international trade. Political manoeuvres and negotiating skills are, however, useless against the limits of productivity of the sea.

The European Union would be well advised to abolish the policy altogether and instead recognise the rights of its coastal states or coastal regions to the fish resources in their economic zone.

Barring that, a second-best solution would be to have the Directorate of Fisheries set total quotas for individual stocks according to some sensible bio-economic principle and then let trade in quotas allocate the total quota among member states and fishing businesses.

This would remove the pressure on ministers to obtain larger shares for their states. On top of that there are the gains in economic efficiency. There is no reason to think that international trade will fail to accomplish the same gains when it comes to fish quotas as it has done in other sectors.

Rogvaldur Hannesson

Belleveien 30,  
NN-5035 Nergem-Sandviken,  
Norway

### Further consultation on pension reporting should be welcomed

From Mr Martin Lutyens.

Sir, Articles in the Financial Times on December 13 and 18 quote a member of the Greenbury committee as warning that "powerful voices" are trying to block implementation of key aspects of its recommendations.

One aspect is the reporting of pension costs for directors, a subject which has now been referred back for further consultation. The reason for this is that there are several ways in which these costs can be reported and the choice between them is not straightforward. The method proposed by the Greenbury committee is a perfectly logical one, but would result in figures which would almost certainly be criticised by the media and others for several reasons, including its potential for producing "bizarre" results of the kind referred to in the December 18 article.

Alternative methods are available, which are arguably as appropriate as the approach suggested by the Greenbury committee but which can produce substantially dif-

ferent figures, both higher ones and lower, depending on the facts of the case.

The referral back for consultation is therefore not designed to block the recommendation for better pension cost reporting. On the contrary, the intention is to make sure that all interested parties, including boards of directors and the press, as well as pensions specialists, properly understand the implications of what is being proposed and the alternative approaches which are available. The object is simply to arrive at a methodology which provides realistic and explicable figures in the context of the employing company's overall reporting obligations.

After the confusion over the taxation of share options earlier in the year, this pause for further consultation should be welcomed.

Martin Lutyens,  
R. Watson & Sons,  
21 Tophill Street,  
London SW1H 9LL,  
UK

### Millennium funds not due to 'soft words'

From Mr Ken Davies.

Sir, I would like to point out that Groundwork was successful in securing Millennium Commission funds because we put forward a convincing argument, because we have a great deal of experience in reclaiming wasteland and in involving local communities in environmental regeneration. It was not due to any 'soft words' ("No way through the woods," December 13).

We told the commission that our plan was to 'reclaim wasteland to enhance the local environment and benefit local people through community schemes' because that is exactly what we intend to do. How else should we have phrased it? We remain convinced that the work we do is valuable and valued by those communities who we help.

Ken Davies,  
head of national programmes,  
Groundwork Foundation,  
85-87 Cornwall Street,  
Birmingham, B3 5BY, UK



# The ballot box is here to stay

Despite recent communist success, Edward Mortimer thinks democracy will survive in east Europe

At Christmas six years ago, the world watched with astonishment the spectacle of the Romanian revolution, which provided a dramatic climax to the events of the previous six months.

Starting with the Polish election in June, all six of the Soviet satellites in eastern and central Europe - Poland, Hungary, East Germany, Bulgaria, Czechoslovakia and Romania - appeared to have cast off their communist shackles. Two years later, the Soviet Union was following suit, breaking up into its constituent republics under the impulse of Mr Boris Yeltsin, its fiercely anti-communist Russian leader.

This week the reconstituted Russian Communist party, led by Mr Gennady Zyuganov, became the largest in the new Russian parliament, proclaiming its determination to overturn the 1991 treaty by which the Soviet Union was dissolved. Its success followed a string of election victories for communist or ex-communist parties throughout central and eastern Europe.

And today will see a moment of bitter symbolism in Warsaw, when Mr Lech Walesa steps down from the Polish presidency. The man who has as much claim as any to have launched the whole anti-communist revolution, will hand over his seat of office to Mr Alexander Kwasniewski, the former communist who beat him in last month's presidential election.

So has the 1989 revolution failed after all? Do the peoples of eastern Europe, having given capitalism a brief try, prefer communism? Has the west missed a historic opportunity by failing to embrace the former communist countries and help them through the painful transition to freedom? Will the recent elections be the last free ones in that part of the world before another long night of totalitarianism? Do we face a return to the cold war?

I believe the answer to all these questions is no.

It is in any case wrong to treat the whole area as a bloc. Its apparent uniformity before 1989 resulted from the historically particular circumstance of Soviet occupation after the second world war. The west had permitted and indeed encouraged that, because it needed Soviet help to defeat Nazi Germany - a contingency that is most unlikely to recur. Whatever tensions the attempt to reach economic and monetary union may have created in Europe, it is hard to imagine that things will get to the point where western powers would again welcome Russian military control of



Communist comeback: Gennady Zyuganov (left) celebrates success in Russia last weekend, while Alexander Kwasniewski and his wife acknowledge victory in Poland last month. PHOTOFEST/APPAP

central Europe to destroy, or even to balance, German power.

One should not forget that part of Germany itself has had to go through the transition from communism to capitalist democracy. Germany itself has been an expensive and traumatic business, giving rise to much disillusion and resentment.

Eastern Germany, in spite of the millions of DM-Marks spent there in the past six years, is not immune to the wave of reaction affecting other former communist countries - just as it was not immune to the drop in output and rise in unemployment which everywhere followed the dismantling of the command economy, the withdrawal of subsidies, and the exposure of inefficient state enterprises to foreign competition. The reformed communist Party of Democratic Socialism made a strong showing in this year's election in Berlin, winning 36 per cent of the vote in the eastern side of the city.

But this has to be seen as a protest vote within the politics of a united Germany. No one, including the PDS itself, proposes reconstituting the former "German Democratic Republic" as a separate state. Moreover, output is now rising faster in

the new Länder than in the rest of the country. Though it may take a generation before "Ossies" and "Wessies" become indistinguishable, German unity can already be proclaimed an irreversible success.

Nestling in the angle between Germany and Austria lies the Czech Republic. The Czechs never thought of themselves as east European, and now their prime minister, Mr Václav Klaus, denies they are even part of central Europe, so firmly has he oriented the country westward both politically and economically. This has been made much easier by the severance of the link with Slovakia, a country that stretches a long way eastward, sharing a border with the old Soviet Union.

The Czech Republic is virtually unique among former communist countries in that there is absolutely no sign of a communist comeback. Alone in central Europe, the Czech Communist party still calls itself communist, and it is credited with a mere 7 per cent of public support in opinion polls. In the unlikely event of any party displacing Mr Klaus in next summer's elections it would be the Social Democrats, who have no connection with the ex-communists.

So however timid and indecisive western leaders may be, it seems safe to say that, even if Russia were to become once more a fully fledged communist and expansionist power, Germany would stay united and the Czech Republic, at least, would remain firmly anchored in the west. Indeed, it would probably be a full NATO member before Russian troops got anywhere near its border.

And if the west showed even a

**Today will see a moment of bitter symbolism when Lech Walesa gives up the Polish presidency**

minimum of courage and decisiveness, the same would apply to Poland and probably to Hungary. It is true that in both these countries the former communists have now returned to power. They have done so, however, not only under new names but protesting their determination to maintain the new course set by their opponents in both foreign and economic policy.

Most independent observers would agree that, at least in these two cases, the party leaders' conversion to market economics, and to seeking membership of NATO and the European Union, is full and sincere. (If there is a threat to democracy in Poland, it now comes more from the reluctance of Mr Walesa and the Catholic church to accept the electorate's verdict than from any desire by Mr Kwasniewski to put back the clock.)

One reason why one can feel reasonably confident about this is that these were the two countries where the ruling communist parties led the way in the 1980s, both in economic reform and in negotiating political changes with the non-communist opposition. Mr Gyula Horn, now prime minister of Hungary, was the foreign minister who ordered the dismantling of the fence between Hungary and Austria in 1989, enabling east German "holidaymakers" to escape to the west. His decision also enabled Mr Horn to live down his more remote past as member of a special police force which hunted down dissidents after Soviet tanks suppressed the Hungarian revolt of 1956.

Mr Kwasniewski, for his part, belongs to a younger generation of Polish ex-communists. He cannot be blamed for the imposition of martial law in 1981, and played a part in the "round table" talks which led to free elections and the formation of a non-communist government in 1989. As one moves further south towards the Balkans, or east into the former Soviet Union, things become less clear. In Romania, the spectacular "revolution" of 1989 turns out, with hindsight, to have been something more like a messy coup d'état. There has been no decisive break between the Ceausescu regime and the present ruling Party of Social Democracy, which is an old-style, leftwing party dominated by senior members of the communist nomenklatura.

In the Baltic states - Lithuania, Latvia and Estonia - no domestic development seems likely to reverse the changes that have occurred since they left the Soviet Union in 1991. But their chances of defending themselves, or of being defended by the west, would be much less promising if things were to get really nasty in Russia.

That, of course, remains the great

unknown. Mr Zyuganov's communists are not like Mr Horn's socialists or Mr Kwasniewski's Democratic Left Alliance. Yet even Mr Zyuganov is not proposing a whole sale return to centrally planned economics. This week he was trying to reassure foreign investors - something he would quickly find difficult were there to be any attempt to rebuild the Soviet Union by other than purely peaceful means.

Some western observers, indeed, see the results of the Russian elections as less important than the orderly and open way they were conducted, which suggests in their view that democracy is putting down deep roots even in what was thought the infertile soil of Russia. And some would argue that the main threat to democracy's future in Russia comes not from the communists but from Mr Yeltsin, or from those members of the new business class who have been urging him to cancel next year's presidential elections rather than risk a reversal of economic reform.

Ironically, the Marxists had a point when they called western representative democracy "bourgeois". Its long-term viability depends less on the ideology of particular parties than on the existence of independent economic interests capable of limiting the power of the state and insisting on its impartiality. The creation of such independent competing interests after a period of total state monopoly has never been tried before, and it is too early to say whether it has succeeded in central and eastern Europe.

In virtually all countries the first phase has seen economic power pass into the hands of former members of the communist nomenklatura, who shamelessly promote their private interests by seeking to prolong monopolies and state subsidies wherever possible. Yet alongside this process have come two other, more hopeful ones: the creation of millions of small businesses and the arrival of thousands of foreign companies which hire the brightest young people and give them a thorough grounding in western business culture.

It would be foolish to express too much confidence about the future of democracy in the region as a whole - especially those parts of it where political stability is threatened, and economic activity impeded, by ethnic conflict. But the socio-economic changes in progress will be difficult to reverse. And they should in time produce a climate in which swings of the political pendulum, far from spelling the end of democracy, can be recognised as one of its essential features.

## LEADERS FOR A NEW MILLENNIUM

Jude Kelly · By Antony Thorncroft

# Outsider in the wings

Next-year Richard Eyre retires from the biggest job in British drama - the directorship of the Royal National Theatre. He wants more time to follow his personal passions.

Already an unofficial shortlist of possible successors is bandied about in theatrical circles: Sam Mendes, the 30-year-old wunderkind from the Donmar Warehouse in Covent Garden; the slightly older guardian of the Royal Court, Stephen Daldry; perhaps Jonathan Kent, who has made such a success of the Almeida in Islington. All men, all stars of the London theatre scene.

But one other name is invariably added to the list, a woman from the north, Jude Kelly. Almost six years ago Kelly, 41, was the surprise appointment to run one of the most ambitious new theatrical projects in the UK, the Leeds-based West Yorkshire Playhouse.

The two-auditorium theatre was built by Leeds City Council with some commercial backing. Its remit was to develop strong links with the local working-class community while attracting to the region top actors, writers and directors. The appointment was a big challenge for a woman whose previous experience had been on the theatrical fringe, directing plays and running small venues such as the Battersea Arts Centre in south London.

"I think the theatre has exceeded all expectations," says Kelly. "I had the most expectations of it, and also the most terror. There was always the fear that in two years it might be converted into an Asda superstore."

There is little risk of that now. At the West Yorkshire Playhouse Kelly has done all the right things. She has won the plaudits of the professionals for her theatrical output - 106 productions, of which more than a third have been new plays. The local council, which makes a £700,000-a-year (£1.08m) grant, seems happy with her outreach programme to 170 schools, and initiatives to draw in new audiences such as Wednesday "Meydays", at which the over-55s gather.

And the theatre has also been a financial success - reasonable audiences of about 65 per cent of capacity last year ensure that the Playhouse not only breaks even but is also slowly paying off its £1.8m capital debt. A Prudential Award for the Arts is one tangible sign of its success.

With the Playhouse ticking over nicely, Kelly finds time to reach an even wider audience. A slight, blonde extrovert, direct in speech and confident in opinion, she is a popular choice for programmes such as BBC Radio 4's *Any Questions* and BBC-TV's *Question Time*.

"It's important that the arts, and the arts establishment, contribute creatively to society rather than hide away in their little bunker," maintains Kelly.

She is an enthusiast for the theatre and its civilising virtues. "It is one of the few



**There was always the fear that in two years the theatre might be converted into an Asda superstore**

places where people can go for personal and congregational consideration about life."

Her skill is in conjuring up an unusual mix of repertoire, and in persuading an audience not steeped in theatre-going to come, and then come back for more. Her Christmas show is no traditional pantomime but the UK premiere of *The World Goes Round*, a musical by the Broadway duo Kander and Ebb.

Kelly is happiest with innovative theatre. It is her background. She started out as a 22-year-old drama student from Birmingham university working for Solent People's Theatre, a small touring troupe. She made her name reopening the moribund Battersea Arts Centre. She has done little Shakespeare, and not much in London.

Her main achievements at Leeds have been launching new plays, such as *Shakespeare's The Winter Guest*, and another transfer to London, giving first opportunities to young directors such as Matthew Warchus, and persuading cele-

brated actors such as Alan Rickman and Penelope Wilton to direct there.

Like other theatrical supremos, Eyre at the National and Adrian Noble at the Royal Shakespeare Company, Kelly directs some productions each year. Among her plays this year were the Nigerian dissident Wole Soyinka's *Death of a Country Boy*. Her latest work was *King Lear*, which drew Warren Mitchell to Leeds in the title role.

But there is a heavy burden in representing the public face of her theatre. She has a general manager to handle the day-to-day accounts, but Kelly must raise the money, devise the programme, speak to the community.

Her latest project is to approach the Arts Lottery Fund for money raised by the National Lottery to build a writing laboratory beside the theatre, where professionals and amateurs learn writing techniques. She hopes that it might develop into a cultural college offering both practical and theoretical modules of the arts.

There are some who think her spell in Leeds has perfected her managerial skills while draining her creative abilities. Her *King Lear*, which was one of many West Yorkshire Playhouse productions to earn a transfer to London, was judged a failure. Kelly agrees that operating as chief executive and directing three plays a year is difficult. "The balance is tough. I can't always devote as much thought to directing as others can."

Does the chief executive of the National Theatre have to direct? Jeremy Isaacs, the former television executive who runs the Royal Opera House, Covent Garden, is not expected to produce opera or dance. But in the small, gothic world of the theatre you must be known to perform at the rock face, and to perform consistently.

At Leeds, Kelly has effectively created a "National Theatre of the north", although she cringes at the title. She has shown great ability in persuading some star names to appear in Leeds for a pitance. She has mixed new work with traditional favourites and drawn in a new audience. She has become one of the few public voices for the arts. All this must recommend her to the board of the National.

But Kelly is a world away from the London "hivies" who dominate the capital's theatre, which perhaps accounts for the absence of invitations to produce in the capital. Her voice retains its Liverpool origins, her approach is northern directness rather than southern smoothness, and she is definitely not Oxbridge in background. She lacks the international aspirations to direct on Broadway or move in Hollywood, common among other contenders for the National Theatre job.

She would be an "outsider" - but if a new director of the National is chosen at a time of political change and radical thinking, Kelly could be the popular choice.

**T**he season to be jolly - and it's never been easier. Even drinkers sipping lemonade or cola may now find their tipple contains a slug of alcohol that makes it as strong as a premium lager.

Lemonades, sodas and colas with an alcohol content of about 5 per cent have become the hottest new sector of the UK drinks market since their launch in the summer, and are a big hit with young consumers. The market for alcohol-hardened soft drinks such as Cola Lips, Two Dogs, Mrs Puckers, Hooper's Hooch, Lemonhead and Moggi is expected to be worth £250m (£386m) next year.

Drinks producers across the industry - brewers, cider-makers and distillers - have plunged into the sector with unprecedented speed. They are delighted with the results.

"It's one of our core consumer segments in the process of being created," enthuses Mr Seamus McBride, marketing director of Bass Brewers. Hooper's Hooch took Bass only seven weeks from concept to shelves, with considerable research and development along the way into how to ferment lemon juice. "We had to turn one of our own breweries into, essentially, a lemonade factory."

Selling 2.5m bottles a week now, Hooch will be one of Bass's top 10 drinks brands next year, according to Mr McBride. Bass says it is selling "wicked refreshment with a simple, relatively raw kind of image."

Those very attributes, however, make such hard/soft drinks too appealing to underage drinkers, argue lobbyists, some government officials and senior members of the drinks industry.

"Previous generations had to learn how to drink," says Dr John Rae, director of the Portman Group, the alcohol policy think-tank funded by the drinks industry. It took young drinkers time to adjust their taste buds to, for example, the bitterness of beer. "The danger with these 'designer drinks' is that you are throwing young drinkers in at the deep end."

The Portman Group sees hard/soft drinks as legitimate products aimed at young adult consumers. But it is worried by those with names and marketing campaigns that "blur the distinction between childhood and adulthood."

The UK's legal drinking age is five years old - you only have to be 16 to buy alcohol. Thus, parents are perfectly entitled under the law to give children aged five to 18 alcoholic drinks. Whereas parents might not give them beer, wine or spirits, "they might

## Sweet taste of success

Alcoholic soft drinks are delighting the industry but worrying lobbyists, says Roderick Oram



waver with alcoholic lemonade", Dr Rae believes.

The issue was raised recently in the European parliament by Mr David Hallam, a British MEP. "My fear is that these drinks will quickly be substituted in young people's minds for ordinary soft drinks," he said, kicking off a campaign to trigger a European Commission investigation. "Youngsters will not understand the massive leap between soft drinks and alcohol."

The Portman Group will propose a code of practice to its industry members in January banning names that, for example, include lemonade, cola or other soft drink names or use marketing campaigns that appear to appeal to a young audience. If the industry fails to take these steps, it argues, it could lay itself open to more draconian measures such as advertising bans inspired by the anti-alcohol lobby.

"It is a big and fair issue for

people to put on the table," says Mr McBride. Bass calls Hooper's Hooch an alcoholic lemonade but says it is designed for adults and "real" lemonade is a traditional English adult drink. "We have our own strict guidelines on brands."

He says he is "comfortable" with the principles of the Portman Group code, "but not a straitjacket that prevents us from creating a product consumers want."

In one sense, there is nothing new about alcoholic soft drinks. For years, people have mixed hard and soft drinks in combinations such as vodka with orange juice.

But packaging and promoting them is new. They appeal to "young adults who grew up with a sweet tooth and haven't drunk much tea, coffee or other bitter drinks. They don't want to force themselves through their first pint," says one brewer.

The prospect of catching

these drinkers is bringing all segments of the industry into direct competition in the youth market for the first time. The rivals include distillers such as Grand Metropolitan, with Smirnoff Mule - vodka and ginger ale; and Guinness's United Distillers, with Ginxing, which is gin, sparkling mineral water, ginseng and exotic flavourings.

They are up against brewers such as Carlsberg-Tedley, offering Vauld, combining sparkling mineral water "a bit of grapefruit" plus a shot of pure grain spirit; and cidermaker Merrydown with Two Dogs, a fermented lemonade.

Few industry executives, however, expect these products to increase the overall level of drinking, which has been declining steadily in the UK for years. "People establish their own level of alcohol consumption through, for example, their traditional patterns," says Mr Andy Neal, UK marketing director of United Distillers.

**A**nother spirits executive adds: "These new products will be massively cannibalistic of others." The goal for him, however, is to increase spirits consumption at the expense of beer and wine. Having got young adults interested in spirits, it might be possible to graduate them gently to ones with more sophisticated tastes.

Those who win at the thought of ingesting cola, soda or lemonade, however hardened by alcohol, may prefer to stay with their traditional spirits and liqueurs. But even these are being subjected to "new product development". GrandMet, for example, has unveiled Godelt, a white Belgian chocolate liqueur which uses "ground-breaking technology" to keep the chocolate liquid. Guinness is launching the first black Scotch whisky (Loch Dan) and the first blond Scotch (Jackal's Run).

Clearing technological hurdles is one thing, but convincing consumers is another. The drinks industry reckons at least eight or nine out of 10 new drinks fail, although it believes the hit rate is rising as it learns more about consumers. All executives have their favourite flop story, though, to spur them on.

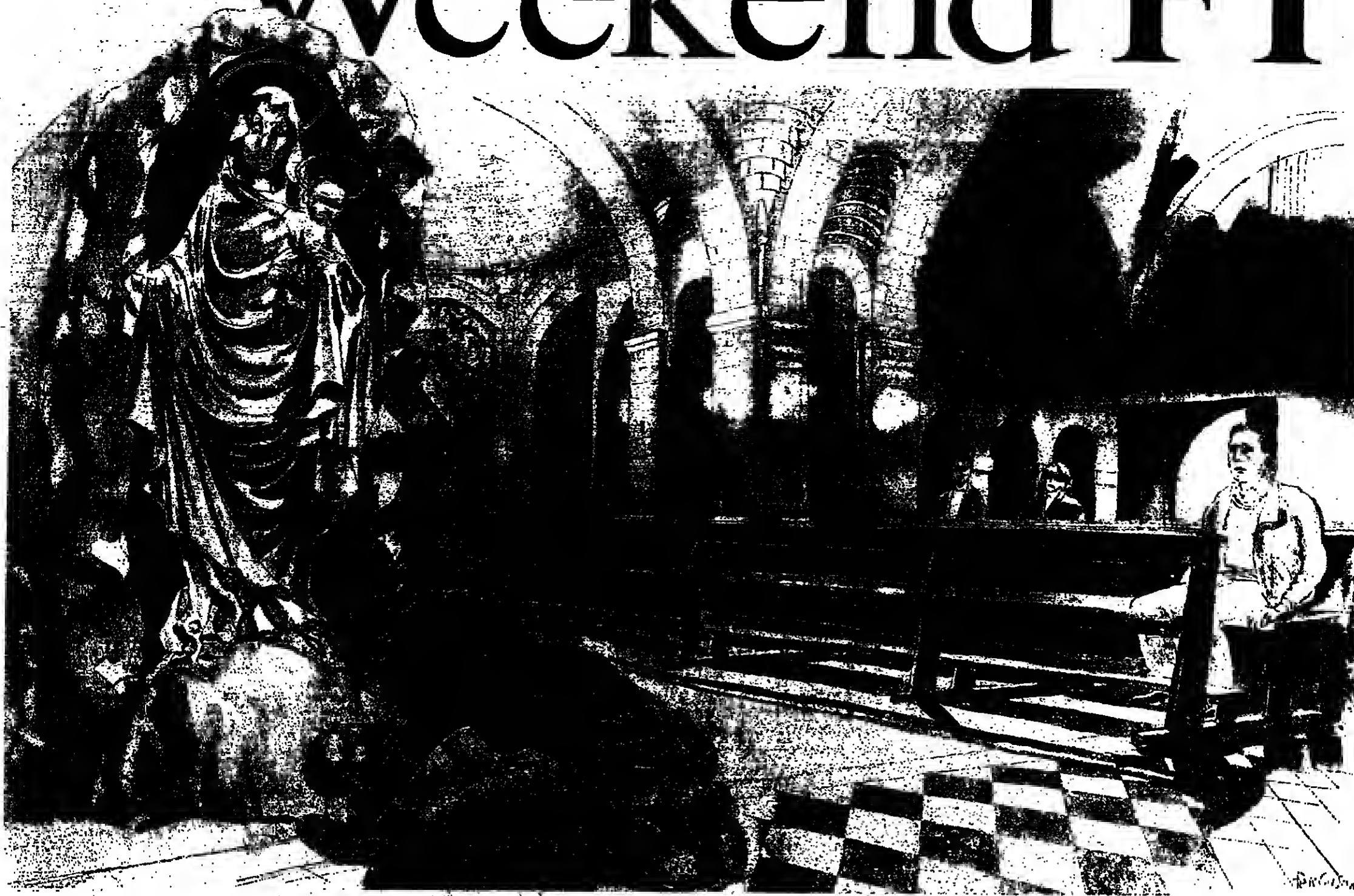
For Mr Steve Wilson, director of international brand development at GrandMet's IDV drinks arm, it is Slowboat. Launched in the early 1980s, the banana-flavoured spirit was "a most hideous concept and a most hideous liquid". When he runs into the occasional bottle still languishing "on some back bars covered in dust, I have to put up a hand and say, 'yes, it's ours'."







# Weekend FT



## Miracle cures for the modern age

Nicholas Woodsworth weighs his doubts against the hope and joy he finds amid the suffering at the holy shrine of Lourdes

I met the bishop of Lourdes at tea-time in a room filled with a discreet clinking of cups and the kind of gravitas that only 150 bishops gathered together can produce. I had never seen so much black cloth, so many large silver crosses hanging on so many distinguished chests. The sight alone set the needles on my inner doubt meter quivering. Having grown up in conservative church schools, I could look on an annual conference of French bishops only as an Establishment assembly, a convocation of the same stern powers that used to decide my daily, and not always joyful, existence.

Of the church's more exalted role – earthly representation of a divine power – I remained unconvinced. I had come to Lourdes not to observe church politics but something simpler, and, at the same time, far more complex: spiritual faith. But if I was expecting ideological confrontation, the bishop, Monsignor Jean Sahnquet, was wholly disarming in his equanimity, his refusal to pronounce any sort of dogma.

As the new millennium approaches, I lamented as we talked that the world seemed more insecure than ever before. Most of its inhabitants found it hard to believe in the political systems, economies and social arrangements that were, visibly, collapsing around them. But nothing in this age of doubt, I added, seemed to me more difficult to believe in than an invisible, all-powerful and loving God. We could all do with a few miracles these days. None took place. Yet vast and growing numbers of people continued to make the pilgrimage to Lourdes, the home of modern Christian miracles. Why?

"I ask myself the same question constantly," the bishop replied. "More than 5m people come to Lourdes every year from 150 countries. About 1.5m are on organised, official pilgrimages. Others are practising Christians. But more than 3m profess no faith at all. So why do they bother to come so far to a place where, in theory, they have no business?"

"I think our age is looking for God more than ever before without knowing it is God we are looking for. I am not against science – it has many uses. But our age has lost its reason for living, and we are trying to find it. With all the world's problems, it seems ridiculous to talk of hope, but people find it here. It is real. Not only hope but miracles,

too. Miracles happen at Lourdes all the time."

What was the bishop talking about, I wondered as I walked out of the conference centre and into the Pyrenean winter evening that was falling fast over the shrine of Our Lady of Lourdes. Since 1858, just 65 of an estimated 2,500 medically inexplicable cures that have taken place at Lourdes have been recognised officially by the Roman Catholic Church as "miraculous". Sudden cures from cancers, multiple sclerosis, blindness and many other diseases have provoked emo-

I watched a woman pray, her arms wide in an embrace of the rock. 'Cure him, cure him,' she said softly.

tions ranging from awe to cynical disbelief. Mind you, the rate of such miraculous cures has slowed dramatically. Fewer than 20 have occurred in the past 50 years, and not one since 1978. Were the bishop's words about hope and everyday miracles simply tea-time platitudes?

From the damp bank of the river Gave, I could gaze over the water to the vast esplanade, more than 1km long, that opens on to the forecourt and arched ramps of the Rosary Basilica. It is here, in a season lasting from Easter to All Saints' day, that Lourdes' great daily eucharistic processions take place – 20,000 and more people marching behind the banners of different dioceses in an affirmation of their faith.

Central to these processions are the sick – the invalids, wheelchair-bound and the dying – who, housed and fed free of charge by volunteer workers at the shrine's hospices, come to receive the special "Blessing of the Sick". But on this cold, misty evening, lit by a rising moon and scented by burning leaves, the shrine seemed almost deserted.

I crossed the river and made my way to the basilica's marble-lined crypt, a place reserved – according to a sign outside – for "silent adoration". I wanted a quiet place to sit and think.

Instead, I found myself watching the desperation of a young mother and her baby. I do not know what was wrong

with the infant, wrapped heavily against the cold; when she placed it at the base of the crypt's altar, it lay there silently, gazing up unblinking at the statue of the Madonna and child behind the altar. But my attention became fixed on the woman herself.

No sooner had she sunk to her knees and begun praying than her whole frame heaved with great sobs and paroxysms of grief. Eventually, rising and lifting the child to the stone Virgin, she passed her hand repeatedly from the base of the statue to her baby's forehead, as if trying to transfer something from one to the other.

Of those few people sitting in the pews of the crypt, all of us, I could see, felt our hearts wrenched.

Outside, I walked through the gloom towards a great glow of candles. Thousands of them burn through the night, past the taps that dispense the Lourdes spring water thought by so many pilgrims to possess extraordinary qualities.

But there was just one person there on this icy night, an elderly woman with skirts tucked up and bathing her badly varicose legs in the cold water, while murmuring prayers.

Nor were there many pilgrims at the Grotto itself, the shallow cave where, in 1858, a poor and asthmatic village girl named Bernadette Soubirous was said to have had visions of the Virgin Mary on 18 separate occasions. It was at the Grotto, too, within days of the first apparition, that the first miraculous cure took place.

The hanging crutches, the statue of the Virgin in the rock, the wild rose bushes and vines, the great burning candle-labre – all make for a peculiar atmosphere. What impressed me most, though, was the rock itself, worn smooth and soft where millions of searching hands have passed over it.

I watched a Spanish woman praying, her arms opened wide in an embrace of the rock. "Cure him, cure him, cure him," she said softly. Her ear was placed firmly against the rock's worn surface, as if listening for a reply.

Who was she praying for? Was there any answer? I had no idea. But I strolled back to my hotel, past scores of shuttered and silent religious souvenir shops, feeling disturbed. Even in this quiet, most tranquil of seasons, Lourdes seemed to me a painful and troubling place.

□ □ □

Father John Poole what he had expected when he came to Lourdes.

After a lifetime of church service in the wide open spaces of South Africa, Poole now spends most of his time in the confession box, listening to the troubled thoughts of English-speaking visitors from such places as Norway or New Zealand.

"Miracle cures," he replied – they are, after all, what Lourdes is famous for. But that initial stage, he added, did not last long: the confessional is not a place where superficial images hold up well. Faced with the reality of Lourdes, he assured me, such cures fade into insignificance.

"People get some new sense of life in Lourdes," he went on. "It seems most of us need to get away from our own environment periodically. At home, we often feel stuck. We are aware we are not as we could be. We are not growing. I am not happy, I am not free. I am sad, I am depressed." These are the words I hear most often in the confessional. People are looking for a better way of living.

What, I asked, made any difference at Lourdes?

"At any given time, there are a couple of hundred people here on stretchers, desperately sick," Poole said. "Yet there is

I doubted I would ever run across a miracle. But one need not go far at all to bump into suffering.

hope, faith, even joy on their faces, and a wonderful attentiveness from those who are helping them. When ordinary people see this they are deeply affected."

"Something happens – a chemical reaction. These scenes act as a catalyst even for people who have never even heard of Saint Bernadette. Often, it is nothing more than simple self-interest: seeing others suffering makes us think of our own lives. This is not compassion, but it is a starting point of growth."

"People who are self-centred begin recognising that this is their problem; surrounded by pain and extraordinary kindness, they realise they have been so wrapped up in them-

selves they are unhappy. You could not tell them that anywhere else, but here it filters in all by itself. Anyone, believer or non-believer, can then begin to share their life and love. That is one of the miracles of Lourdes."

I left Poole thinking that I had a better idea of what the bishop had been talking about. And thinking, too, of my own reactions to those unhappy people I had seen the night before. I doubted I would ever run across a miracle in Lourdes or anywhere else. One need not go far at all in the world, however, to bump into suffering.

□ □ □

Lourdes is not simply a place of unhappiness, though. The catalytic effect of which Poole spoke, and the acts that result from it, have real, practical effects.

One afternoon, I drove out to Hosanna House near the outlying village of Barthelemy. It sits on a spectacular site facing green, folded valleys. No distance away are the Pyrenees.

It is a place where a millionaire might choose to live. Instead, it belongs to the Handicapped Children's Pilgrimage Trust, a British charity which sends more than 2,000 physically and mentally disabled children to Lourdes every year.

Father Michael Byrne was hesitant when he began accompanying the children nearly 40 years ago. He doubted what he calls the "Holy Woolworths" atmosphere – the gaudy commercialisation of spiritual faith, the souvenir shops selling plug-in, blinking grottoes. But there were compensations.

"The children love coming here," Byrne said. "At home, they hate being treated differently, being the centre of attention. Here, they see other people far worse off than themselves. They begin to see they can help each other. And they find, in helping, that they get much more than in being helped."

"This is a pilgrimage and a holiday," he added, looking out to the hills where the children are taken for picnics and donkey rides. "I've never seen a miracle in my life but I've seen thousands of cures – children going home with a sense of well-being, topped up with the love and care of those around them."

Over the next day or two, I talked to many people: Christian pilgrims, casual visitors, long-time professionals at the Shrine who say they have seen miraculous cures. In the end,

not one said it was the phenomena of the medically inexplicable that counted most in Lourdes.

My favourite couple, though, were Siva and Anandhi Sutedra – Tamils from the violence-torn Sri Lankan city of Jaffna. Today, they have found new lives in – of all places – Yellowknife, a small town in Canada's far north-west. The Sutedras are not Christians but Hindus, belonging to the mother-goddess cult of Sakti.

"All holy mothers are manifestations of the same spirit,"

Siva said as he stood by the statue of the Virgin at the conclusion of a Grotto mass. "We are all their children – why should we seek them out only when we are sick? We received the call to come. We think it is a miracle just being here."

When I thought of the oddness of their lives – fighting and death in Jaffna, the solitude of Hindus in the frozen wastes of Canada, the remarkable beliefs that had brought them and many others to Lourdes – I tended to think they were right.

### CONTENTS



Short story: By Booker prize nominee Justin Cartwright **III**

How to Spend It: Last-minute gifts, secret scents, and anything red **X, XI**

Gardening: Meet the Pipe-Ban family **XII**

Food and drink: Top champagnes, caviar and the finest fast food **VIII**



The Nativity: The Dean of Salisbury on the truth of Christmas **XV**

Skiing: What type of skier are you? **IV**

Weekend Investor: Barry Riley on the year in 11 Downing St **XV, XVI**

Arts **VI**  
 Arts Guide **VII**  
 Books **IX**  
 Bridge, Chess, Crossword **XIII**  
 Fashion **X**  
 Food & Drink **VIII**  
 Gardening **XII**  
 How to Spend It **XI**  
 Motoring **XIV**  
 Perspectives **III, IIII**  
 Property **XVI**  
 Science **I**  
 Small Businesses **II**  
 Sport **XVII**  
 Travel **II, V**

**Aquascutum**  
OF LONDON

**WINTER SALE**

**STARTS 27TH DECEMBER**

**UP TO 50% OFF ORIGINAL PRICES**

100 Regent Street, London W1A 2AQ. 0171 734 6090.  
 9-13 Brompton Road, Knightsbridge SW3 1ED. 0171 581 4444.  
 38 Park Lane, Meadowhall Centre, Sheffield S9 1HL. 0114 256 9454  
 24 St Ann's Square, Manchester M2 7JB. 0161 834 5617



PERSPECTIVES



James Morgan

# They do have ways of making you laugh

Germany does have its heroes of comedy. It's just that most people haven't heard of them

Each country has its images. Around 100 years ago those of Germany were of eccentric professors, good beer, good cheer and Christmas. Jolly, and yet wit and humour were never seen as a German characteristic.

One of the funniest tales in *Three Men in a Boat* tells of a hoax, perpetrated at a fine party by two young men who convinced the guests that Herr Slossen Boschen, the German singer, who was about to entertain them, was a master of the German comic song.

The young men said "that he was so intensely serious all through it that you might think he was reciting a tragedy and that, of

course, made it all the funnier". They said he never once suggested by his tone or manner that he was singing anything funny - "that would spoil it".

So the guests smirked and tilted their way through what was in reality a dirge of death and broken hearts. The singer was morally offended and left, cursing the English. But this story coincided with the birth of what one might call the golden age of the German comic poem.

The first of the three pillars of what I like to think of as the German national wit and joke group was Christian Morgenstern (born 1871). Here is a line which could be from a comic song: "Ein Kindelein

in Windelein heut macht es noch ins Bindelein..." It sounds like Schnerb but in fact tells of a baby dirtying its nappy, yet again.

Morgenstern and his colleagues, Engerl and Joachim Ringelnatz, variously turned out biting, gentle or black verse. They were born within a quarter of a century of each other but died far apart - Morgenstern at the outbreak of the first world war, Ringelnatz in 1934, while Roth carried on until 1976. He survived the Third Reich even though he shared with his peers what the critics called a melancholy and cynical wit.

Roth avoided trouble (the others were banned) because his subject matter was the trivia of everyday

life. He wrote hundreds of poems under the rubric *Ein Mensch* - which translates inadequately as A Man. This man is the model for many of the comic characters of the 20th century, the one who gets it all wrong; or right at the wrong time, the poseur caught out. He is Charlie Chaplin or Tony Hancock. Here, he is The Connoisseur (my own translation):

A man sits proud, programme to hand,  
At a concert of the better kind.  
He feels himself among his peers.  
Their smiles show he's accepted there.  
Music sounds around the hall.  
He's deep in thought, to art in thrall.  
The last notes of the music sound

He claps so loud, his joy unbound.  
He speaks, while gazing at the ceiling.  
Of fugues and of his deepest feeling.  
He sighs out loud to make his mark.  
'Quite heavenly, this marvellous Bach!'  
But his neighbour grins in a nasty way.  
'Your programme is from yesterday.'

And so he learns that he's just heard  
A movement of Herr Brückner's Third.  
Ringelnatz is the master of the galleys. Among his bleaker works is a grim little tale from 1921 called *The Gossip in the Public Convenience in Schellingstrasse*. (The illustration has two men relieving

themselves.) The first stanza runs: Today there was a collection in the block where I live.

For the wife of someone who'd strung himself up.  
And everyone put in the cup  
Three marks. It's what we always give.  
No one need know where I got the money.  
In fact I'd stolen it from mummy.

The poem is a domestic account of the life of someone earning too little to feed his family at a time of endemic poverty. A Christmas carol without sentiment or happy ending.

The three seem have left no poetic tradition (Günter Grass transferred it to prose.) Ringelnatz

was clearly a part of the world inhabited by Kurt Weill and Lotte Lenya.

Roth could have written marvellous sitcoms for television, but the genre is not exactly hospitable to invention and wit. Morgenstern's tale of how only a knee survived when a soldier was shot to pieces, or how the past and present tenses had a drink together and humped into the future, might have created a German *Monty Python*.

But nothing remains and when I mention these heroes to Germans they seem nonplussed. They have convinced themselves they cannot entertain. A pity.

James Morgan is economics correspondent of the BBC World Service



An eye for detail: a Goddard & Gibbs artist works on a stained glass window

## Minding Your Own Business

# Piecing together the puzzle

From small fragments great glass windows grow. Grania Langdon-Down reports

In the basement of Goddard & Gibbs' studios lie the remains of the stained glass windows from London's Baltic Exchange, blown to pieces by an IRA terrorist bomb in 1992.

The staff of the UK's largest stained glass studios are now starting to photograph and document the pieces to see if it will be feasible to restore the windows.

The task of piecing together the fragments may prove as arduous as the struggle to keep the business in one piece since a management buy-out five years ago.

Since the team of directors bought Goddard & Gibbs, which has been based in Shore-ditch, east London, since 1988, they have had to fight all the way.

Orders for next year may now be topping £1m: the ground floor of the studios may be packed with huge,

richly decorated glass panels for a new hotel in Oman; and in October, they won universal praise for their new window for Westminster Abbey, which was unveiled by the Queen.

But Neil Maurer, managing director, says without hesitation: "If we could turn the clock back, would we have bought the company when we did in 1990? No, absolutely not."

In 1989, sales of stained glass windows, secular and ecclesiastical, new and restoration work, were running at £1.7m. Exports, particularly to the Middle East, had reached £879,756, £15,000 more than the UK sales of £864,821.

They were exciting times. Maurer, who joined the company in 1979 as works manager, had risen to managing director.

His dream was to put together a management team to buy the business from the then owner Charles Clark, who had always said he wanted to sell and retire at 60.

Maurer recalled: "In the late 1980s, it seemed nothing could go wrong. But the timing could not have been worse. Within six months of the MBO going through, the UK was in deep recession, the Gulf War started and a large part of our export market just evaporated."

Added to that, the value of the building when we bought the company was put at £823,000. Today, the property,

which is our main asset on the balance sheet, is valued at only £250,000.

The MBO team had raised £190,000 between them and borrowed £800,000 from Barclays Bank.

John Lawson, the studios' chief artist, and Philip Broom, works manager, put in £10,000 each to become minority shareholders. A further £50,000 was invested by Sulaiman Al Zamil, whose family runs the Al Zamil industrial group. He and Goddard & Gibbs have run a joint venture in Saudi Arabia since 1989.

Since then, two of the original MBO team have been bought out, leaving Maurer, 47, who raised £50,000, partly through re-mortgaging his Essex home, and Christopher Borst, 38, who put in £10,000. They hold 32 per cent and 21 per cent of the shares respectively, giving them overall control.

One of the first steps the team had to take was to sell the subsidiary company Stained Glass Supplies. That meant closing premises in Thornbury, near Bristol, and Bingley, in Yorkshire, and laying off about 25 employees.

During the first years after the MBO, the company also had to cut staff from 45 to 33 and monitor every single expenditure, from telephone calls to toilet paper. Sales went down every year from the 1989 peak to their lowest point of

£1.02m in 1993.

Maurer explained: "We just did not spend money. We did not do any marketing or produce any new literature."

"Our product is very colourful and it needs to be illustrated. But we were in the situation that you need to market the product to get the business but we could not afford the marketing."

"In 1991, the bank insisted on

**Ironically, a flood of orders has produced new problems concerning the company's capitalisation and trading**

to market themselves properly again, whatever the cost. "We had been asset stripping to make sure the company survived and there was nothing left," Maurer said.

"So we started marketing again and picked up some nice orders. We budgeted for £1.25m this year but the final figure will be over that."

It has taken five years to bring the company back into profit - expected to be about £100,000 this year on sales of £1.1m. Next year they are hoping for a "respectable" increase in profits on turnover of £1.6m. Exports now account for 70 per cent of sales.

Ironically, however, the flood of orders has produced new problems. "The bank has told us that we are under-capitalised and over-trading and we must turn orders down," said Maurer.

"The bank's loan is down from £800,000 to £200,000, but they have said 'no more' and insisted we seek funding from other sources. We are doing that but we do not yet know what the outcome will be."

This difficulty is the result of the company needing a 25 per cent advance payment on each order to run the business. But it cannot get them unless it offers clients security in the form of a bank guarantee.

"A large property company in south-east Asia, for example, is not going to give a small business in the east end of

London money without security."

"But the bank has put an overall limit of £100,000 on the guarantees it will give. So we are having to ask some of our customers just to trust us," he said.

Since the MBO, one of the company's biggest projects has been to design a new dome and restore existing stained glass windows in the Father's Mosque in Brunel at a cost of £400,000.

In spite of the troubled start, Maurer, who is married with two teenage children, is glad he took the opportunity offered by the MBO. "I always found it very frustrating as a manager having to answer to other people."

For Christopher Borst, who joined Goddard & Gibbs in 1988, the chance of being part of an MBO team was too good to miss, especially as his grandfather had left him money to buy into a business.

He travels abroad for about two months a year as director responsible for export sales. "Even though we were buying into a company with a name and reputation going back more than 100 years, circumstances meant it has been as difficult as trying to start up a new company."

Goddard & Gibbs, 41-49 Kingsland Road, London E2 8AD. Tel: 071-739 6563. Fax: 071-739 1978.

## Science / Andrew Derrington

# A compass might not get Santa home

As you open your presents on Monday, spare a thought for Father Christmas who has to plot his course back to the North Pole after delivering them. If he relies on a magnetic compass he could miss his way home by hundreds of miles, because true north and magnetic north differ by about 11 degrees.

But no one knows why this should be. Although geophysicists know a great deal about the characteristics of the Earth's magnetic field, the origin of the field remains "one of the central problems of geophysics," says Keith Aldridge, chairman of the department of Earth and Applied Science at York University, in Toronto.

Father Christmas is better off on Earth than he would be on most of the other planets in the solar system. The magnetic fields vary from planet to planet in a way that is not well understood, according to Stanley Cowley, of the Blackett Laboratory at Imperial College, London. "Nobody knows how to predict either how strong a planet's magnetic field is, or how it will be aligned," he says.

It is only on Saturn, where the magnetic north is within a degree of true north, that a magnetic compass would be more use to Father Christmas than on Earth. On Jupiter - currently being examined by the Galileo space probe - the difference between magnetic north and true north is about 10 degrees, but the planet is more than 10 times the diameter of earth so this small angle translates into an error of thousands of miles.

A compass would be useless on Venus and Mars, which seem to have no magnetic fields, and on Uranus and Neptune the compass would lead him closer to the equator than the true north pole.

Although our terrestrial Santa Claus should perhaps count his blessings, he should not be complacent. The compass may yet become even less useful to him. Geophysicists have discovered that every so often - about five times every 1m years - the north and south magnetic poles change places. Although no one was around to observe the last switch, we know it took place 730,000 years ago.

A record of the earth's magnetic history is preserved in the rocks of the ocean floor where the earth's crust is growing. Within the earth's mantle the temperature is too high to form a permanent magnet. As rock emerges and cools, it is magnetised by the earth's magnetic field and so records its current state. Aldridge likens the phenomenon to a tape recorder that runs at about the speed of a fingernail grows.

Measurements of the magnetic field in different parts of the world, and at different

depths below the surface of the earth, have led geophysicists to conclude that the magnetic field must be generated by a dynamo, says Aldridge.

There is general agreement among geophysicists that movements of the liquid iron outer core generate electric currents which drive an electromagnetic, in the same way as a conventional generator works by moving an electrical conductor through a magnetic field. The energy that keeps the dynamo running is probably provided by convection currents as the earth gradually cools, or as heavier elements sink towards the centre of the core.

Although the dynamo theory makes sense of why the earth should be magnetic, it does not explain why the polarity of the magnet should reverse.

## A compass would be completely useless on Venus and Mars

In fact the reversal behaviour is extremely variable and unpredictable.

"About 80m years ago the field was completely stable and didn't change at all for 30m years," says Jack Jacobs, of the University of Wales at Aberystwyth. "Sometimes it changes half-way round and then goes back." But the magnetic axis is usually roughly aligned with the poles, and when a switch-over occurs, this takes about 5,000 years.

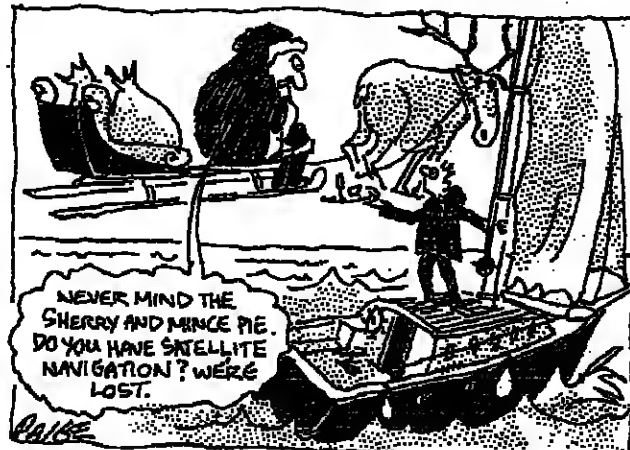
There is no general agreement on why reversals occur. "People have tried to tie reversals to the great climatic changes like the ice ages, but it never quite fits," says Jacobs. More recently it has been suggested that some kind of turbulence in the earth's core causes the field to change.

Aldridge is exploring the possibility that tidal movements of the earth's crust, which are like the ocean tides but much smaller, are involved. These slight movements in the crust could cause the fluid core to become unstable. In laboratory experiments he simulates the effects of a rotating tidal motion on a fluid core that, like the earth's core, rotates at a different speed from the tide.

"At a certain combination of these two speeds all hell breaks loose... It's quite exciting really. But we are at the early stages," he says.

So as you open your presents, remember to say "Thank you Father Christmas - and mind how you go!"

The author is professor of psychology at the University of Nottingham.



Chess No.1106: The obvious answer is BK on d3 and mate by 1-0-0-0, but this is a false trail. With White to play, the BK could not have reached d3 legally last move since it would have come from an illegal double check at e4, e4-e5 or e3. However, it is legal for the BK to be at d3 if it is Black's move in the diagram, when the mate in one is Black's 1...Qg1. The king can also be at c6 with White to move, when the mate is 1 Qb5. Award yourself a mince pie if you got the correct double answer.



## PERSPECTIVES

## Short Story

## Great expectations from across the years

Justin Cartwright, a nominee for this year's Booker Prize, takes us into the depths of London's Soho on Christmas Eve for a chance meeting that proves deeply disturbing to one family man

It is Christmas Eve. The air is thick with expectation, and dread. Christmas, let's face it, is a somewhat ambivalent time.

A man with a sort of bushy explorer's beard, is standing outside the Bar Italia in Frith Street. He is inspecting a pile of empty wine bottles, looking to see if anything has been missed. The street is surprisingly empty, apart from some Italian waiters who are admiring a Ferrari. They are calculating how many *travellers* you would have to sell in order to be able to buy a car like this.

Up at the top of Frith Street, Soho Square is dark, as though the bright street ends in a void. From the other direction, carrying a large bag of toys from Hamley's and some other presents, comes an elegant man. He is walking like a ballerina, little steps; toes turned inward, rather stiff legged, because his expensive shoes are not gripping the sticky pavement too well.

He wears one of those overcoats that can be bought in Jermyn Street, tapered at the waist, pockets on the slant, with a large buttonhole that is made to be used. His hair has reached a state of stasis, after years of sculpting by the same barber. It rests on his head confidently, with small wings, like those on Mercury's boots, above the ears.

The presents he is carrying are expensively wrapped. (There is a lot of difference between presents which have been unevenly Sellotaped and rather slackly tied at home, and presents that have been tied by an expert.)

Meanwhile, the tramp - we now know many of them are schizophrenics - is draining the remains of a South African wine of coastal origin. The fact is, he doesn't give a damn about provenance. He is no wine snob. He moves on to the remains of an Australian wine, Wynns's Coonawarra.

As the man with the presents reaches the Bar Italia, he glances in at the cheerful scene inside: a woman with strong forearms is grappling with the espresso machine; from the roof hang boxes of Christmas cake in gold and blue with antique motifs. There are plenty of boxes left. Italians seldom buy this cake; its purpose is largely decorative.

Indeed, the bar is Christmassy in an Italian sort of way. Some of the customers look as though they have no homes to go to, and the rest look as though they are delaying going home, perhaps fearful of going prematurely on a familiar sentiment.

On a huge television screen at the far end of the bar, a choir of former miners is singing Christmas carols. They sing in that pained and joyless way they have, bulky men pressed up against each other, as though they are standing in the cage at the pithead. But the lamps on their helmets are a nice touch.

The man with the presents pauses. He is making a quick calculation about how much time he has, whether he has enough to get to his flat, pack the presents and take a cab to the airport for his flight. Of course he has plenty of time.

He goes in and orders a cappuccino, without chocolate. He knows, because he travels widely, that the dusting of cocoa powder is a tourist thing. He puts the presents on a counter. He watches as Orellia - the customers call her by name - pulls down the lever and animates the milk.

The tramp with the extra-

large bag of toys from Hamley's and some other presents, comes an elegant man. He is walking like a ballerina, little steps; toes turned inward, rather stiff legged, because his expensive shoes are not gripping the sticky pavement too well.

Up at the top of Frith Street, Soho Square is dark, as though the bright street ends in a void. From the other direction, carrying a large bag of toys from Hamley's and some other presents, comes an elegant man. He is walking like a ballerina, little steps; toes turned inward, rather stiff legged, because his expensive shoes are not gripping the sticky pavement too well.

He wears one of those overcoats that can be bought in Jermyn Street, tapered at the waist, pockets on the slant, with a large buttonhole that is made to be used. His hair has reached a state of stasis, after years of sculpting by the same barber. It rests on his head confidently, with small wings, like those on Mercury's boots, above the ears.

The presents he is carrying are expensively wrapped. (There is a lot of difference between presents which have been unevenly Sellotaped and rather slackly tied at home, and presents that have been tied by an expert.)

Meanwhile, the tramp - we now know many of them are schizophrenics - is draining the remains of a South African wine of coastal origin. The fact is, he doesn't give a damn about provenance. He is no wine snob. He moves on to the remains of an Australian wine, Wynns's Coonawarra.

As the man with the presents reaches the Bar Italia, he glances in at the cheerful scene inside: a woman with strong forearms is grappling with the espresso machine; from the roof hang boxes of Christmas cake in gold and blue with antique motifs. There are plenty of boxes left. Italians seldom buy this cake; its purpose is largely decorative.

Indeed, the bar is Christmassy in an Italian sort of way. Some of the customers look as though they have no homes to go to, and the rest look as though they are delaying going home, perhaps fearful of going prematurely on a familiar sentiment.

On a huge television screen at the far end of the bar, a choir of former miners is singing Christmas carols. They sing in that pained and joyless way they have, bulky men pressed up against each other, as though they are standing in the cage at the pithead. But the lamps on their helmets are a nice touch.

The man with the presents pauses. He is making a quick calculation about how much time he has, whether he has enough to get to his flat, pack the presents and take a cab to the airport for his flight. Of course he has plenty of time.

He goes in and orders a cappuccino, without chocolate. He knows, because he travels widely, that the dusting of cocoa powder is a tourist thing. He puts the presents on a counter. He watches as Orellia - the customers call her by name - pulls down the lever and animates the milk.

The tramp with the extra-

The tramp with the extra-

much in his thoughts during the year he spent washing Moulton's sports clothes and making him toast.

Moulton is breathing on him. There has been a revival of TB. Julian moves away, leaning back until he can get no further. The Bar Italia is very narrow. Julian is unsettled. He regards fagging, and some other aspects of public school as he knew it, as shameful, almost obscene.

He has lived in New York for 11 years and this has made him both more English - witness the Jermyn Street overcoat and Lobb's shoes - and more open. Class, in the English sense, has little place in his professional life. And to avoid tedious semantic discussions (or physical violence), he has never used the word "fag" in New York.

Julian is in a hurry. He does not want to catch up on what has happened to Moulton since 1969, even if it is Christmas. Nor does he want to offer to buy him a drink, both because he fears where this would lead and because Moulton might imagine that he thinks he has no other interests in life.

But the tricky problem does not arise. Moulton explains that he has left his wallet in his trousers (which he calls "bags") at the dry cleaners and would Arnot buy him a drink.

"Don't sit on your hands," he jokes as Julian tries to attract the attention of a waiter.

The only drinks they sell are Italian beer and ready-mixed Campari and soda. Moulton orders one of each. He drinks them down with indifference in two or three gulps and beckons the waiter.

"Same again, compadre. Same all round. My man is holding the bread."

Julian watches Moulton with horror. He is seized by indecision, something which, in financial derivatives, he has conquered completely.

"Blind Faith. Supergroup or what, man? Ginger Baker, Stevie Winwood, Eric Clapton."

"Moulton, are you all right? It is one of the most stupid

He had certainly vanished entirely from Julian's memory until a few moments ago...

remarks Julian has made in many years.

The Welsh miners are singing *Abide With Me*. Nobody to the bar is paying any attention to Moulton. In Soho, he surmises, this sort of confrontation may not be unusual.

"What do you do now? Do you live around here, Moulton?"

"I'm just going to Tanganyika, man. Then the House, of course. A hamper but my family's been there since dinosaurs roamed the planet."

As Moulton turns to look for the waiter, to renew his order, Julian sees a scar which snakes from behind his right ear up into Moulton's tangled hair. He wonders how he can get away. Meeting Moulton has had an unsettling effect on him, as though it is he, Julian, who has missed something by forgetting him so completely.

Despite the coarse skin and enormous beard, he can now see clearly the outline of the 18-year-old Moulton. He won, damn what terrible accident or operation caused that scar.



"Where did you see Blind Faith?" Julian asks.

"In the park, man."

"When?"

"When? Like the other day, man." Moulton is tolerant.

"And Jimi Hendrix. Heve you seen him?"

"Sure. The man's a god."

Moulton seems serene. His only problem is that he has taken no notice of anything that has happened since 1969.

In a sense, Julian realises, that is more of a problem for others than for him. Julian feels now as if he is waiting for instructions. Moulton liked his toast cut thick, with grapefruit marmalade. And his football boots had to have very clean laces.

In fact, Moulton made a large contribution to the usefulness Julian feels about life in Britain. Unwanted fears, above all the fear of Moulton's wrath when - say - his toast was too brown, or too light, or too dry, creep up on Julian. He feels enervated, helpless.

Moulton sits on a stool, heavily, almost missing, and orders his third beer and Campari chaser. He is wearing a strange mixture of clothes: a very old tweed jacket, which is torn in three or four places, over a large checked shirt.

Underneath he is wearing a green track suit and immense black trainers, one of which has bits of wire instead of laces.

His hands are like a tortoise's neck, but tinged at the same time with saffron. His face, in the neon light, looks sallow, like a bruise which is in the last stages of healing. He coughs continually. It is a disturbing sound, parched and flint-like.

"I'm just off for the Christmas holidays," says Julian. "Is there anything I can do for you?"

Moulton sticks in the pocket of his lumberjack shirt carelessly.

"What are you doing for Christmas?" Julian asks.

Moulton gulps the last of the beer.

"Family. The old folk. It's a downer, but a man's got to do what a man's got to do. Gather round the old turkey, Wassail. Sing a few carols with the peons. You know the sort of thing. You got a bird?"

For a moment Julian thinks he is asking if they have ordered a turkey. He is about to explain the relative importance of Christmas and Thanksgiving in New York - anyway, they always have goose for Christmas - when he realises what Moulton is getting at.

"I'm seeing somebody, yes."

"You should go into the dip-

It is impossible to hear what he is saying over the sound of *Silent Night* in Welsh

lomatic service man. You're a gas. Seeing somebody. Listen Arnot, if you mean giving her one, say so. Her hipsters love, and her long black hair. I can't control myself. Are you giving her one?"

"Well, yes, in a manner of speaking, I am giving her one."

"Why stop at one, I say." Moulton laughs uproariously at his own joke. His laugh is cut short by a fit of dry coughing. His teeth are brown and fragmented. Julian has to steady him when the stool tips. It is the first time he has ever

touched Moulton.

"Look, Moulton, I hope you will excuse me, but I have to go now."

"No sweat. I'll be down for the fourth and see you then, man."

"Goodbye Moulton. Lovely to see you again. Happy Christmas."

Moulton shrugs; his shrug says it is going to be hard under the circumstances. Julian gathers up the presents.

"Have a cool yule," says Moulton.

Julian leaves the Bar Italia. He looks back. A waiter is ushering Moulton gently but firmly out on to the street. Moulton catches his look and waves. A few, unconvincing snowflakes are falling as Julian steps carefully away.

On Shaftesbury Avenue, a taxi comes by, light cheddar yellow in the deepening evening gloom. Julian hails it. Inside, in the boxy, solid interior - so different from the anarchic, disintegrating cabs of Manhattan - he has a painful thought: perhaps he should do something for Moulton.

Perhaps he should invite him back to the Upper East Side, and face him with the well-scrubbed family and seasonal poultry before trying to coax back memories of happier times. The cabbie is waiting. "Terminal Four," says Julian.

"Right-o Gov." The cab rumbles into action.

Happy times. How can you be sure? Certainly for Julian they were not happier times; Moulton made his life miserable. He might be able to do it again, the spectre at the feast. He might remind Julian of his former self, now deeply buried. And God knows, he would startle the children.

"What a bleeding carry-on, Christmas, eh?" says the driver. He's the old sort of philosopher-cabbie in a flat cap and muffler.

## Soldiers are there when you need them...



## Please be there when they need you

The Army Benevolent Fund provides help to any man or woman and their families if they are serving or have served in the British Army and are in real need. This help is given in two ways: through grants to supplement Corps or Regimental aid and by financial support to over 70 national charities providing for the special needs of those in distress.

Our overall aim is to bring help to the many cases where state assistance is inadequate, inadequate or unable to meet the immediate need. Your donation, covenant or legacy will provide invaluable assistance for those who served their country. Please help them in their hour of need.

Send off NOW for full colour poster ADDRESS BADGES OF THE BRITISH ARMY TODAY (22 Dec 1995)

To: The Army Benevolent Fund, Dept. FT, 41 Clements Gate, London SW1T 5HT. We use a lot of the soldiers who fought to build for our freedom and our future and continue to protect us. I would like to make this contribution to help those of them who are in need.

Please charge my Account/VISA/Debit Card No. £ \_\_\_\_\_ Every Date \_\_\_\_\_

Please send me details on making a legacy of how I could donate through Payroll Giving. Please send me details on making a legacy of how I could donate through Payroll Giving.

Signature \_\_\_\_\_ Name \_\_\_\_\_ Address \_\_\_\_\_

THE ARMY BENEVOLENT FUND



## TRAVEL

# The last place on earth you'd want to live

Michael Shaw Bond visits the Russian Arctic

**I**t is easy, surrounded by the blooms of a Siberian Arctic summer, to forget about the cruelty of Arctic winters.

In summer the nights are as bright as the days and the tundra is full of life. In winter there is total darkness for months, and temperatures fall below -50°C.

The people who endure such extremes fall into two categories: those who choose to do so, and those who have no choice. Petr Mikhailovich belongs to the former. He is a member of the Dolgan tribe, indigenous reindeer herders who have lived on the tundra for centuries.

Many Dolgans were settled in state villages during the Soviet days but Petr and his family live the same nomadic life as generations before them, migrating between the northern fringes of the taiga forest and the Arctic coast in search of food for themselves and their animals.

Petr is small and tanned with an intensely weathered skin. He is 55, the senior man of his family, and has chosen to spend this particular summer on the edge of a large lake on the Taymyr peninsula. It is a familiar camping ground. There is grass for his 100 reindeer and fish for his family.

The Dolgans are as much a part of the northern Siberian landscape as the Arctic foxes and the birds which fly thousands of miles each year from western Europe to breed there.

The members of the other category of Arctic peoples are, however, strangely out of place and time. They are the Russians, the urbanites, brought in this century to exploit the region's vast reserves of oil and minerals or defend the northern frontiers.

Their towns and cities, such as Dickson and Norilsk, fit ill into the landscape, cut off from the rest of Russia without a single road or rail link. On the map they are isolated black dots in the midst of a great whiteness. Dickson is perhaps the most northerly town in the world, a former military base in fast decline. Within the last five years the population has dropped from 6,000 to 3,000 and much of the place is decrepit. The streets are full of rubbish and broken army trucks, buildings crumble, the telephone exchange has been vandalised and abandoned and the town hall boarded up. As one resident remarked: "There is really no reason for normal people to live here."

Yet it is difficult to leave.

The only way out is by air, and few can afford the flight. Even if they could it is unlikely that they could afford to live elsewhere. Many of Dickson's residents are pensioners and have been there since it was built, survivors of Stalin's gulags. Even Alexander Zabevorota, the mayor, acknowledges the town's ectopic existence, referring to the rest of Russia as "the mainland".

But he adds: "I have lived here for 30 years. My daughter grew up here, went to school in the technical college and now works in an office in the town. We are not intending to leave."

There is a feeling among Russians in the towns of the Siberian Arctic that they have been forgotten by the government. Moscow, it seems, is more concerned about the indigenous population, which has become the focus of a large conservation programme. With money and advice from the World Wide Fund for Nature the government has set aside large areas of land in the Taymyr peninsula as nature reserves to protect the wildlife and the Dolgans' way of life. The largest and most recently established is the Great Arctic reserve, 4m hectares of pristine wilderness. The environmental group



Fishermen gather one of their staple foods from the rivers of the Arctic wilderness

Michael Shaw Bond

hopes that 50 per cent of the Russian Arctic will be under some form of protection eventually. For so long as Russia remains in need of hard currency this target appears optimistic, as Siberia contains some of the richest untapped deposits of minerals in the world.

But the conservation programme has been remarkably successful and appears to be government-driven. Amir Khan Amirhanov, Russia's deputy environment minister, said:

"We have a federal law governing these territories which will protect them once and for all. There will be no turning back."

There are stark reminders of what would happen if the programme failed. Norilsk, a mining town 200 miles south of Dickson, was built 60 years ago and is now the most polluted city in the world. The people live under a cloud of sulphur oxides and the trees for miles around are dead.

Of all Arctic lands those in Russia are the hardest to visit.

A trip requires a special visa, a permit for every stopover and an invitation from the government.

Once there, the only way to get around is by helicopter or ancient military cargo plane. From the air the vastness is alarming. For thousands of miles the land is utterly flat and covered in lakes, like the aftermath of a great flood, and across it twist great rivers which head north across the tundra towards the Arctic Ocean. Heading east in our ancient aircraft we cross

time zones hourly and without ceremony.

On the ground north of Khatanga, the northern limit of the taiga forest, the tundra is soft and impressioned, with gentle dips and swells, the footprints of the gods. Away from the mining centres it is unspoiled. The beauty is in the minutiae: the varied shades of green, the brilliant yellows of Arctic poppies, the far-off cry of a golden plover.

The Lena river further east forms a great delta at the edge

of the ocean. The vicinity is known as the ice factory of the Arctic. Sediments flushed upstream from the Siberian interior help form pack ice which drifts across the North Pole towards America. From the coastal town of Tiksi we took a helicopter westwards and visible from the air along the length of the Lena river was a line of small jagged hills, the first for many thousands of miles.

At Norilsk airport I am reminded of the wretchedness of imposed human settlement in the Arctic. During our three-hour wait not a single notice changes on the departures board. The times are seemingly welded there for eternity, in hope of flights that never take off.

One reads "1945", and I wonder if it refers to the year or the hour of departure. Certainly some of the waiting passengers look as if they have been there for years. One man is carried through the concourse laid flat on a stretcher. Among the women are many with hair tinted in bizarre colours - as if to brighten the gloom.

I felt privileged during my week-long trip in Siberia to experience days without nights, light without darkness, as if this scheme of things were some divine gift to this distant land. Yet it felt somehow incomplete, and I knew I was seeing the good without the bad.

To experience the bad I would have to stay for the winter, when I would see the cycle of the days stretched across the years: the summer one long day, the winter one long night.

For the Dolgans and the Russians of Dickson and Norilsk it is the cycle of their lives. It suits the Dolgans fine. Most Russians would rather be somewhere else.

## Skiing

# What type of skier are you?

Arnie Wilson offers advice so that everyone ends up in a resort to suit them

**S**omeone once worked out a chain of nine called Trevor. In fact that when you consider lunch, the odd drink stop and the time spent on ski lifts, your skis are actually moving downhill for only an hour or so during an average day on the slopes.

So during a week's holiday you are really only "skiing" for about 10 hours. It is therefore crucial to the success of your holiday to get "the before", "the in-between", and the après skiing right.

For this reason, among others, it might be helpful to establish what sort of skier you are to enable you to get maximum satisfaction - but not necessarily maximum skiing - from your week or two in the mountains.

For this purpose, I suggest that you might be content to be included in one (or possibly more) of the following categories.



### Aggressive expert

You are always searching for a challenge, be it powder, couloirs or anything off-piste. Solution: go heli-skiing, preferably in British Columbia in Canada, with Canadian Mountain Holidays or Mike Wiegels.

Even more exotic - but probably not better skiing - you could even try the Himalayas. Since Kashmir is not a good idea at the moment, you could investigate Himmachal Helicopter Skiing in Manali, Himmachal Pradesh.

There is also a new ski resort being planned there by Lord Weymouth, who claims the new lifts at 13,000ft or more in an "untouched bowl" in the Humta Valley, will offer a huge vertical drop and some of the best powder in the world. With the help of helicopters or - more economically - touring skis, you can ski as high as you like up to 13,000ft!

If you are skiing on a tighter budget, there is excellent helicopter skiing from Grindelwald, Switzerland, where Powder Byrne's chief guide, Ueli Frei will take you on classic descents - as much as 7,000 vertical feet - from magnificent drop-offs such as Rosegg or Sustenalp. Frei also leads heli-skiing trips to the Caucasus.

If you prefer to leave the helicopter firmly on its pad,

some of the best off-piste can be reached by hiring a guide or skiing with a specialist ski school. The French resorts of La Grave and Chamonix/Argentière have stunning off-piste, but a guide is essential. Classic resorts such as Val d'Isère/Tignes have a number of specialist ski schools whose guides will try - almost always successfully - to seek out the best and safest off-piste options in the region. Top Ski in Val d'Isère is excellent. Evolution 2 in Tignes is also recommended.



### Strong intermediates

You are able to venture off-piste but want to learn how to do more.

Apart from joining the appropriate ski class in a conventional ski school, you would thrive on tours with such specialist ski schools as Top Ski or by hiring a guide. This would enable you to ski at a level you can cope with without being pushed into skiing terrain in which you do not feel comfortable.

But, by definition, high mountain guides do not teach, as such, they guide. In practice, however, they will often give priceless tips, and pass on a great deal of technique.

### Average intermediates keen to ski

With the advent of "fat" skis there is now nothing to stop the average intermediates heli-skiing. If you do not think you (or your bank manager) can face a whole week why not take a day off from your family holiday in Canada and try an introductory day's heli-skiing in Panorama or Whistler?

US resorts, such as Sun Val-



ley, Idaho; Jackson Hole, Wyoming; and Telluride, Colorado, also offer day-trips, as do at Val Griseche, near Courmayeur, in Italy, and at Selva in the Dolomites.

Cat-skiing (using a converted snowcat as a cheaper but much slower taxi up to virgin slopes) is another option, to be found mainly in North America in such Colorado resorts as Aspen, Crested Butte and Copper Mountain.



### Average intermediates seeking variety

If you are interested in a more varied experience, including good nightlife as well as trying other sports such as parapenting (hang-gliding with parachutes) and snowmobiling, then look at go-ahead resorts which responded to the lack of snow in the late 1980s by building up an infrastructure of non-skiing activities.

The French are particularly good at this, and the Austrians have followed suit. Parapenting, usually with skis, is now possible in most go-ahead ski resorts including St Moritz and Verbier in Switzerland, Les Arcs and Alpe d'Huez in France and Barèges in the French Pyrenees.

North America is the best place for snowmobiling, particularly in Utah and Colorado. From Jackson Hole you can reach magnificent - but busy - snowmobiling terrain in Yellowstone National Park.



### Less experienced intermediates

Which country offers the best tuition is subjective. I think the Americans, with their superbly groomed and organ-

ised slopes and clear instructions, take some beating.

The instructors in Colorado, where they are used to the British, are long suffering, particularly in Vail, Copper Mountain and Breckenridge.

The French tend to teach with verve but less patience; the Austrians are good technicians but occasionally instructors can be a little tough on their clients. Perhaps the Swiss are a good compromise. I learned to ski properly in Nendaz, Verbier, with excellent instruction. But that was more than 20 years ago.

There could be a case for middle-of-the-road skiers trying middle-of-the-road resorts which do not attract too many experts or big crowds, in which case, I would recommend the likes of Saas Fee and Villars in Switzerland; Badgastein, Lech and Galtür in Austria; the French resorts of Valmorel, Montgenevre or La Clusaz; or Courmayeur and just about anywhere in the Dolomites in Italy.



### Beginners

You are known as "first-time ever skiers" in North America. Although Les Arcs in France is still just about the only resort which really specialises in the ski evolutif method - starting with skis just a metre long and progressing to longer skis as the week progresses - I still think it is a hugely successful way of learning to ski.

Otherwise I would still recommend Austria, where so many British skiers took their first tumble on the slopes. Austria is fun - Austrians are used to visitors and are very good at creating gemütlichkeit, that cosy but effervescent (and sometimes irritating) mélange of oompah bands, yodelling and rather music interspersed with schnapps.

Or try Andorra, famous for its duty-free goods and Kiwi instructors. The skiing is limited but fine for beginners.

### Families with toddlers

Most resorts have now caught on to the idea that it pays to have good facilities for families with non-skiing toddlers.

Flaine, in France has always enjoyed a good reputation for catering for families. Peter and

Felice Hardy, authors of *The Good Skiing Guide*, who between them have an assortment of children of different ages, are enthusiastic about children's facilities in French resorts. Only Chamonix gets the complete thumbs down, although Châtel, Montgenevre, La Rosière and Tignes are not



recommended. American resorts, with the exception of Steamboat, Colorado, are also highly rated.

In Austria the Hardys favour Mayrhofen, Obertauern, Saalbach-Hinterglemm and St Johann im Pongau, while Switzerland achieves only four good classifications: at Crans Montana, Saas Fee, Verbier and Villars.

Italy, where the locals are so fond of bamba, does not score well, with the exceptions of Cortina, Saouze d'Oulx and Selva, Bormio, Livigno and La Thuile are all given negative points. The theory of *The Good Skiing Guide* is that Italians holiday en famille so do not need extra facilities.

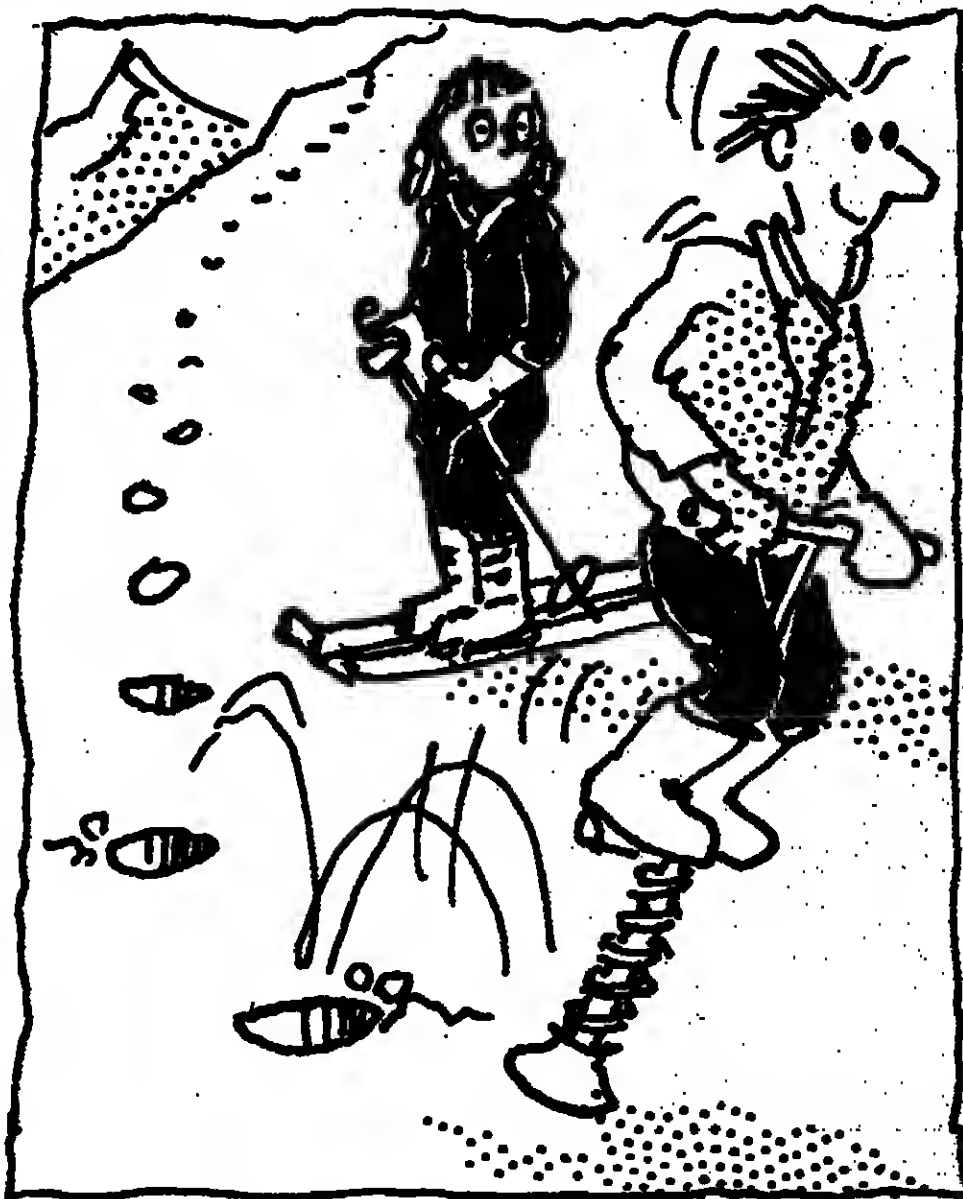


### Older children

If your children are 10 or 11 and learning to ski, Scandinavia might be a good investment. Norwegian resorts such as Gail and Hemsedal, and the excellent Swedish resort of Åre have a policy of encouraging every child skier to wear a helmet. They enforce this by offering free skiing providing the children wear one. And it works. On a recent visit, I noticed well over 90 per cent of young children on the mountain were wearing them.

### Non-skiing spouse

What to do with the non-skiing



spouse - this category provides an unusual challenge.

There are resorts - often with mountain railways - in which the omission of skiing is hardly a hardship. Zermatt, with its wonderful scenery and mountain walks, Gornergrat railway, indoor tennis, cinemas and myriad tea rooms is an obvious example.

Wengen, another famous Swiss resort, also falls into this category. Here you can enjoy awe-inspiring scenery by taking the mountain railway up to Kleine Scheidegg, or ride even farther through the very face of the Eiger as the train takes you to the giddy heights of Europe's highest station on the flanks of the Jungfrau.

In Germany, non-skiers can hardly fail to enjoy Garmisch-Partenkirchen, with its picturesque old town and variety of trains and cable-cars, while Italy's answer is probably Cortina, with its pedestrian malls, bars and a good selection of scenic cable-cars.

In France, Chamonix, with its inspiring scenery and its spectacular Aiguille du Midi cable car, would be the obvious choice.

### Romantics

Skiers searching for the most romantic resorts would not be disappointed by the Chateau Lake Louise hotel in Canada. Its fairytale setting between pine forest and lakeside, commands stunning views of the frozen lake and the awe-inspiring glaciers which feed it.

The Spring Creek Ranch perched above Jackson, Wyoming, also has views of America's most photographed mountain range, the Tetons.

Zermatt, with its splendid Matterhorn, and the "ice-village" of Saas-Fee nearby are among the most romantic sights in the Swiss mountains, while the tiny resort of St Christoph, nestled, as hijou resorts are always inclined to be, in the Arberg Pass close to St Anton, has few equals in Austria. Cortina, and the Dolomites in general, always makes a truly romantic setting for honeymoon couples whether on skis or not.

Truly romantic resorts in France are more difficult to find. While Les Menuires might not be first on my list, I would recommend the rustic town of La Clusaz.

For the real romantic, however, how about Trapper's Cabin, isolated in the woods above Beaver Creek, near Vail.

While there are horses for courses in any sport, any self-respecting ski resort should have something for everyone. Aspen, Colorado, might discourage beginners from tackling Ajax Mountain but it would be absurd for a resort to enjoy a reputation based entirely on derring-do if all it did was scare away the majority of skiers.

With the possible exception of La Grave, in France, even resorts with the wildest reputations have decent beginner slopes. Others, with a gentle image, such as Crested Butte, might have extreme slopes tucked away.

But never underestimate any mountain, especially during your first day or so. It is no crime for novice skiers and lower intermediates to warm up on green runs. So if you are in those categories, make sure the resort of your choice has some.

Bir stick  
mes Henderson

Access t

سكيا من الامم



## TRAVEL

# Why the Japanese are learning to talk turkey

Christopher McCooley looks forward to another Christmas dinner - with all the traditional British trimmings - in Tokyo

**G**iblet? What is giblet? "Giblet's," I said, stressing the "s" and sounding like a language teacher, "are the secret to the festive bird." "Festive bird? What is festive bird?" "Festive bird is turkey," I replied in a pleasant and cheerfully condescending way. "And British people eat it on Christmas Day."

**A dinner can cost Y50,000 and wives and girlfriends expect a present as well**

Christmas pudding? Yes, of course. That's what you call looking after the interests of your nationals.

I had been to Kinokuniya - a shop that specialises in imported foreign food - and gathered all the pudding ingredients (including a bottle of Guinness) and the other essentials: smoked salmon, a frozen turkey, cranberry sauce, figs, dates and nuts.

The pudding was cooking merrily, the turkey was browning beautifully, gently cooking fat which I was looking forward to eating cold on crusty bread with a sprinkling of salt on Boxing Day, and the champagne was cooling.

The pièce de résistance was to be the giblet gravy. "You can be in charge of gravity," I said magnanimously

to my girlfriend. We slipped Harvey's Bristol Cream but my girlfriend looked puzzled. She then watched attentively as I chopped the turkey neck into pieces and cut up the gizzard, liver and heart. I put them into a saucepan and topped it up with water. "Bring to the boil and simmer for 20 minutes," I instructed.

"Simmer? What is simmer?" "Boil means big bubbles. Simmer means little bubbles. OK?"

I went to lay the table. The smell of the turkey and the other traditional Christmas trimmings (I had bought a tree and decked it with lights, though I had not worked out how to stop them flashing), plus a second tumbler of sherry, helped to foster an air of peace on earth and goodwill to all men.

My girlfriend called me into the kitchen where the shrivelled giblets were on a plate in the middle of the kitchen table, steaming gently. The saucepan was washed and upside down on the draining board.

That was 1978. I have now spent nine more Christmases in Japan. Each year I am amazed how the Japanese have taken over more enthusiastically to the alien custom.

Christmas for the Japanese is essentially a commercial opportunity. Some Christians, usually from the American bible belt, write every year to the English language press in Japan to complain that the Japanese take just the fun part of Christmas (the presents, the parties, the eating and drinking) and ignore the religious element. In fact, if you ask Japanese children what is the significance of Christmas Day, many say it is Jesus's birthday, but tend to upset some westerners by adding that Santa Claus is Jesus's father.

Less than one per cent of Japan's 122m population is Christian, but there are numerous churches for those who wish to celebrate Christmas with carols and bible readings.



Christmas at the Tokyo Dome: Santa appears everywhere in the run-up to the festive season

In Japanese culture gift giving has always been important. The giving and receiving of presents is often a way to discharge obligations, but Christmas is an opportunity to give gifts without obligation.

All the big department stores give whole floors over to Christmas presents. Parents and grandparents buy toys for the children. Husbands and boyfriends buy scarves, perfume and jewellery for wives and girlfriends, and in return the men receive tuxedos, gloves and watches.

In recent years it has become fashionable to send Christmas

cards to close friends and relatives, although the main greetings exchange remains new year cards, which is also the biggest present-giving season.

Millions of Christmas cakes are sold, especially on Christmas Eve as stores and stands with staff dressed as Santa (or Sandra) Claus catch the merry throng on their way home. These are not the traditional cakes of dried fruit, marzipan and icing, but sponge cakes covered with synthetic whipped cream, with a sprig of holly and a Merry Christmas tag.

December is a great month

for parties - called *honenkai* or forgetting-the-year parties. The average office worker attends half a dozen or more of the section party, the school friends party, the English speaking club party, the tennis club party, and so on.

In typical Japanese fashion, hotels and restaurants have cashed in by holding special Christmas party evenings. Dinner and show parties are advertised, often featuring a singer or television personality. The price of a ticket usually includes a cabaret with dinner. The Japanese are not too keen on turkey, so there is

often a choice of meat. Steak is the most popular.

A ticket for such a dinner show can cost Y50,000 (£315) or more, and wives and girlfriends expect a present as well. Last year the most popular item was a Tiffany heart pendant costing Y75,000. Of course, the package would not be complete without a night (booked a year in advance) in a top hotel, costing another Y40,000.

Expatriates are stingier. For those who do not want to cook their own Christmas dinner, turkey and Christmas pudding can be had for Y3,000 at the

Tokyo British Club or for Y5,500 at 1088, a popular venue for Britons. Not to be outdone, the Queen Sheba, which specialises in Ethiopian cuisine, offered a Christmas special last year with roast beef or lamb and Tusker beer for Y10,000 a person.

Japanese children have caught on to the idea of Christmas and look forward to a present from their parents. They also know that new year is a good time for them because traditionally they receive cash gifts from family and relations.

undoubtedly helped popularise Christmas among the Japanese, especially for children. Only 15 minutes by train from Tokyo, the theme park has a Christmas Fantasy from the end of November.

Santa appears everywhere in the run up to Christmas, promoting everything from fast food to sex shows. The one I spoke to in Kabukicho (the Tokyo equivalent of Soho) was handing out leaflets for a sadomasochistic show. He said he could get rid of more leaflets in his Santa suit but complained that his employers would not pay the costume hire charge.

## Birds of a feather stick to rum punches

James Henderson discovers a Caribbean veranda with a difference

**T**he veranda is one of the Caribbean's most civilised institutions. Neither inside nor out, you are sheltered there from the sun and rain and yet you have the best of the breeze and the view. It is the natural gathering place in the cool of the evening, when islanders indulge that other great West Indian institution, the rum punch.

Perhaps the finest veranda in the Caribbean is the one at the Asa Wright Nature Centre in Trinidad. It is 80ft long by 20, so wide that it needs supporting columns, and scattered around its stained wooden floor are low wooden tables and armchairs. It is attached to a superb creole house - reached through full-length louvered wooden doors - which was originally built in 1907 as a cocoa and coffee plantation house and as a wedding present, but which is now better known as a bird-watcher's haven and ornithological research station.

The veranda looks out on to a magnificent steep-sided valley, which stretches into the hazy distance, its flanks swathed in green, much of it primary forest.

The flowers and bushes in the fertile garden attract a large number of birds. They say that you can reliably expect to see

35 species before breakfast. People were already out soon after 6am, lined on stools at the veranda's balustrade. "It is best to be out before the hibiscus flowers open..." said one of the guides who help guests with spotting and interpretation.

There was an air of study and concentration as they pored through their binoculars, a quiet murmur of chat and an occasional movement as they pointed to one, another where to look.

Directly beneath the veranda, a honey-creeper flew in to the powder-puff bush (where little pink and white fans stood among the leaves), hopped from branch to branch, and then departed; a white chested emerald (hummingbird) ranged into view, covering the little shrub-like flowers of the zebra-plant, flitting and holding still, wings beating with alarming speed. More heavy concentration as a woman trained her enormous binoculars like some sort of futuristic weapon. A silver-beaked tanager twittered about, doing its thing.

A couple of tables have been placed beneath the veranda and fruit peelings are left out to attract the birds. A violaceous euphonia hopped up to a glorious streak of iridescent blue and a yellow-bellied sapsucker appeared - these

are known widely around the Caribbean - and are often cheeky enough to steal the sugar from your breakfast table.

An orange flameback butterfly passed across the veranda. Occasionally animals will come within view of the house. An agouti, a small rodent a bit like a guinea pig which is

**There was some conferring and then a volley of tiny ecstatic gasps**

nearly extinct in many Caribbean islands, crept around in search of pickings. A guide suddenly raised a finger and pointed to the taller trees in the middle distance. A bell bird had just arrived and was calling, occasionally, *boing...boing...*

A quiet chorus of "good spotting" ran around the veranda and all binoculars turned skywards; there was some conferring and then a volley of tiny ecstatic gasps. A flash of yellow shot by 80 yards off, with a whirr like a miniature aeroplane struggling to keep aloft. It was an oro penguin (called

so because it builds a hanging nest, like a cannonball in a stocking).

The guide continued to point out and explain things: parrots, gregarious, fly by in squeaking and squawking groups; channel-billed toucans can be recognised by their multi-coloured plumage and roller-coaster flight. Hawk eagles call with a "hee-hee-hee" and giant cowbirds are brood parasites; they nip into the oro penguin's nest and lay an egg. The stories are limitless.

Birding is the main activity at the Asa Wright Centre, but it is interesting even for the ornithologically uninitiated. There are guided walks around the estate, following the narrow old roads of the plantation years; among other things you can see a lek, where male mannikins, true to their name, spend about 90 per cent of their lives displaying, turning somersaults and leaping-trugging over each other in their keenness to impress females.

But it is the veranda that is the focal point of life at Asa Wright. People gather there again before lunch, at tea-time, and then again before dusk as the birds fly in to feed at the flowers beneath. And, of course, they return at six for a rum punch and to sweep birding war stories from the day's activities.

## Access to the Caribbean islands

**A**s the Caribbean becomes more developed and accessible, so travellers are flocking to the islands in search of the easy-island life.

It is certainly worth looking beyond the large established islands to smaller, lesser known spots - perhaps the Grenadines or the quieter and more charming areas of the north-east Caribbean. And getting there can be part of the fun.

The eastern Caribbean is quite well served for inter-island travellers. You can expect to reach almost all the islands the same day from Europe. And if you are moving from one island to the next it is possible to make almost any link between Trinidad and the Virgin Islands within a day.

There are countless hopper airlines, some emanating from a single island. For example, Air Martinique, which runs south from Martinique. The biggest oper-

ator in the region is LIAT (Leeward Islands Air Transport), which links all the former British islands.

Part-owned by a number of island governments, LIAT acts like a local bus service - it will not even stop if there are no passengers to drop off or to pick up.

LIAT offers a number of excellent island-hopper tickets if you want to travel independently around the islands. The UK travel agent best informed on the LIAT schedules and ticketing arrangements is TransAtlantic Wings (tel: 0177-602 4021).

Early in 1996 another inter-island airline, Caribbean Express, opened, claiming a better service for Caribbean business people and international travellers wanting to make transfers from international flights arriving in Barbados. It uses 76-seater EMB Jetstream jets and has a strong emphasis on service.

It also offers a direct transfer desk,

which enables passengers to bypass immigration control in Barbados. This can be an advantage because flights from the US and Europe somehow conspire to arrive all together, dropping as many as 1,000 people within an hour.

Caribbean Express started out with flights to a number of the medium-sized islands including St Lucia, St Vincent, Grenada and Trinidad. In spite of reported teething problems and schedule changes (and there is some doubt over the use of jets for such short distances), the service has been expanded to include a link from Barbados to Antigua and Guyana.

The other alternative for getting from island to island is, of course, to charter a small aircraft. This is definitely the quickest way to get to the smallest islands - but expensive if there are just two of you.

James Henderson

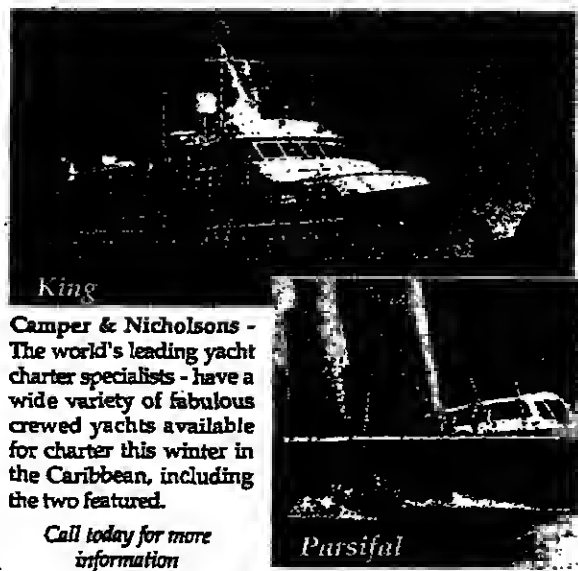
## HOLIDAYS &amp; TRAVEL

## CRUISING

Camper & Nicholsons

Yachting Since 1782

**NO HOLIDAY ON EARTH COMPARES WITH ONE THAT FLOATS ON WATER**



Camper & Nicholsons  
25 Bruton Street  
London W1X 7DB  
Tel: 0171 491 2950 Fax: 0171 629 2068  
Yacht Sales & Charter & Management & New Construction

## FLIGHTS

**WEEKENDS IN ST. MORITZ**  
FROM 15 DECEMBER 95 TO 11 APRIL 96  
COLLECTIVE FLYING  
EVERY WEEKEND  
BY BUSINESS JET  
AEROLIAS  
022/ 798 45 10  
01/ 814 37 00  
020/ 44 025

**Scotland from £29**  
01582 4455 66  
ATOL 0002

## GERMANY

Daily low cost flights.  
0181-429 2900.

Visa/access.  
German Travel Centre.

ABTA 90685, ATOL 114.

## SCOTLAND

**CROFTS & CASTLES**

throughout Scotland. Holiday properties for 2 to 22 & dogs too! Winter breaks.

Telephone: 01835 870 744

## SKIING

## VAL D'ISERE

Superb, luxury catered chalet. Ski To/From door, Ensuites, 5 Bedrooms (2-11), Real fire, lovely views.  
£357-514.

Brochure 01428 645344 or 0033 79419222

Whilst care is taken to establish that our advertisers are bona fide, readers are strongly recommended to take their own precautions before entering into any agreement.

**Travel Features**

FORTHCOMING TRAVEL FEATURES  
**Brochure Panels & Skiing**  
13 January  
**Cruising**  
27 January

For further information please call  
Emma Lloyd      Dominique Moseley  
Tel: 0171 873 3218      Tel: 0171 873 3579  
Fax: 0171 873 3098

## CARIBBEAN

**Concorde to Barbados**  
every week this winter until 20th April. Stay 7 nights or more and choose to stay at one of nine luxury hotels. From £1995 to £3385 with *Elegant Resorts*

The Old Palace, Church C10 188  
01 244 897 999  
ABTA 11132 ATOL 280



## ARTS

# Europe in remembrance of things past

The musical world spent 1995 looking back to the war, says Andrew Clark

It was a year of looking back, not in dreamy nostalgia but in a spirit of remembrance. Europe's cultural establishment marked the 50th anniversary of the end of the second world war by reflecting on pre-1945 dictatorship and postwar euphoria. The Bregenz festival summed up the mood with its theme *The Utopia of Freedom* - an apt memorial for the sufferings of war and the lost ideals of peace.

From Rostock to Rome, continental Europe was awash with performances of Britten's *War Requiem*. Michael Gielen and his South-West German Radio Orchestra went on tour with Zimmermann's *Requiem for a Young Poet*. Stuttgart commissioned a *Requiem of Reconciliation* from composers of 14 nations. The Holland festival premiered Theo Loevendie's opera about the Dutch resistance, and Salzburg's concerts of avant-garde music had a hard-hitting commemorative message about art and the abuse of power.

Hand-in-hand with these sombre reflections went the phenomenal growth of interest in music banned by the Nazis. The Prague Spring festival devoted a weekend to the Theresienstadt composers. The Czech Philharmonic unearthed Viktor Ullmann's brilliant *Cornet Rike* setting, while Bielefeld and Zurich staged his operas. Leipzig gave the first complete performance of Erwin Schulhoff's *Die Flammen*, and the year ended with a powerful production of Berthold Goldschmidt's *Der gewaltige Hahnrei* in Bern. The music of Pavel Haas, Hans Krása and Erich Korngold also benefited.

Can degenerate art - as the Nazis called it - be divorced from its political context and, if so, what is its artistic value? Could the "lost" tonal music of the interwar years have sustained a viable challenge to the rising tide of serialism? It is impossible to tell. More than 50 years on, the jigsaw puzzle of mid-20th century musical history is still a jumble, but at least all the pieces are now on the table. The "degenerate" revival has made it clear that the biggest threat to artistic freedom is political authority. But it is not just the Nazis. What about now?

That question kept cropping up during the Hindemith centenary, because of his preoccupation with the artist's responsibility to society. Hindemith's standing is higher now than it was 12 months ago. He has had a good run of performances - the Berlin Philharmonic's tally of 19 chamber, orchestral and choral works was a remarkable tribute - and his music matches the conservative spirit of the day.

This was a useful centenary. It put Hindemith's achievement in perspective, showing that he remained true to his artistic conscience and to German tradition in a world of political and musical upheaval.

No country's cultural traditions were in greater flux in 1995 than those of the Czech Republic. Prague's two opera companies



Unforgettable: Herbert Wernicke's ironic production of *Der Rosenkavalier* at Salzburg, with Ann Murray and Grant Murphy

underwent a change of leadership, but it made little difference: the survival of the Prague State Opera still hangs in the balance, while the National Theatre's new production of Smetana's *Litáše* - mounted on the anniversary of Prague's postwar liberation - proved a damp squib. There is no money and precious little nationalist spirit in the Czech Republic at the moment. The Prague Symphony Orchestra has joined the Czech Philharmonic in choosing a foreign chief conductor. And an older generation of Czech musicians passed away: the deaths included Václav Neumann, Zdeněk Kšicek and Karel Berman, all stalwarts of the postwar era. A handful of beginnings pierced the year's retrospective mood. Give

or take a few hitches, Giorgio Vidusso achieved the apparently impossible by re-establishing the credibility of the Teatro dell'Opera in Rome. He outmanoeuvred the unions and had some stirring artistic successes, notably *Benvenuto Cellini* and *Macbeth*. Chief strike victim in Italy is now La Scala, Milan: *La Traviata* and *Lucia di Lammermoor* were the principal casualties.

The other beginning was the rebirth of the Paris Opéra under Hugues Gall. These are early days - Gall only took over formally in August - but already the Bastille is functioning with a will and a coherence it has not previously known. The Palais Garnier reopened in March. If Gall can hold his nerve

over the next few months, he will have pulled off a near-miraculous turnaround in the French capital's operatic fortunes.

Two other figures made an immediate impact on their surroundings. In Ireland, Luigi Ferrar brought a touch of class to Wexford and in Switzerland David Zinman dispelled the air of self-satisfaction at Zurich's Tonhalle Orchestra and injected a new sense of artistic pride.

In an indifferent year for musical Europe, there was still cause to celebrate some outstanding personalities and performances. The conductor who contributed most was Valery Gergiev, juggling the commercial and artistic needs of the Kirov Opera with single-minded

determination and giving inspired guest performances elsewhere.

The Vienna Philharmonic was also outstanding. It took Schnitzke's *Gesualdo* under its wing as commandingly as John Eliot Gardiner's interpretation of Haydn, and its Verdi, Brahms and Strauss at Salzburg demonstrated that a great orchestra is not a doormat for a conductor, but a partner in interpretation.

Among living composers, Schnitzke took pride of place. True, illness prevented him from writing anything, but there was a string of premieres, and *Gesualdo* and *Faust* underlined the surreal power of his imagination.

The most memorable instrumental performances I heard came from

two Moscow-trained pianists, Elisabeth Leonskaja and Evgeny Kissin. Unaccountably overlooked in the English-speaking world, Leonskaja combines maturity, virtuosity and imagination. Her Brahms First Concerto at Stuttgart in March was commandingly big-boned but with a silken touch, and her Strauss *Burleske* at Lucerne had extraordinary panache.

The 24-year-old Kissin joined 75-year-old Isaac Stern in chamber music performances at the Verbier festival and displayed the kind of talent that comes once in a generation: quickness of spirit, dazzling assurance, lyrical spontaneity, precocious intelligence.

Harry Kupfer's Bregenz staging of Rimsky-Korsakov's *Kitezh* was one

of two unforgettable opera productions I saw. Conducted by Vladimir Fedoseyev and sung by a Russian cast, it proved that a powerful drama lurks behind this neglected fairytale.

The other was Herbert Wernicke's ironic view of *Der Rosenkavalier* at Salzburg, flawlessly conducted by Lorin Maazel. The most enterprising company was the Netherlands Opera, which staged all four Schoenberg operas to general acclaim.

Among individual performances, it would be hard to beat Vladimir Galuzin's charismatic Grishka in the Bregenz *Kitezh* or Karita Mattila's electrifying Chrysothemis in Elektra at the Salzburg Easter festival.

## Britpop, oldies and the not quite so fab four

Peter Aspdon rounds up the pop and world music albums of the year

It was, of course, the year of *this* single: catchy, dynamic, with a searing Lennon-esque vocal and a strong middle eight. Unfortunately, for those besotted by the glories of the 1960s, "Roll With It" was not by the Beatles at all but by the mop-top-inspired Oasis. Its fortuitous (or was it clever?) release on the same day as Blur's "Country House" awakened a nation whose pop sensibilities had been blunted by years of American-led dance, rap and heavy metal music.

While never quite the battle of the bands described in the more over-heated sections of the media, the Blur/Oasis rivalry dramatically focused attention on Britpop, which became the keynote of the year.

By the time the Beatles tried to join the fun in November with their mildly intriguing *Anthology I* and agonisingly limp "Free As A Bird", they sounded like old men trying to gatecrash a teenage party. Which is exactly what they are.

Both Blur and Oasis impressively showed they could follow up their successes of 1994 with highly polished albums. Blur's *The Great Escape* was lyrically the better of the two and showed a band becoming increasingly confident with the arts of arrangement. Oasis's (*What's the Story*) *Morning Glory* was a high-quality, guitar-based thrash with some inspired hooks.

Britpop's other main player, Pulp, waited until the end of the year to unveil *Different Class*. It was more stylised than Blur or Oasis and darker

in hue, but essential listening. The cause of "pure pop for now people" was ably championed by Supergrass with *I Should Coco* and Echobelly with *On*, which blended Blondie feelgood frolics with Morrissey wryness to produce a captivating record. Björk also proved she had more than one good record in her with *Post*.

From the Bristol scene which gave us Massive Attack and Portishead came Tricky, whose *Marine Parade* featured that characteristically seductive, sporadic sound which doubtless makes a lot more sense when listened to in a chemically altered state of consciousness.

Also far from the melody-driven Britpop was Goldie's jungle tour de force, *Timeless*. This is decidedly not an album to sit down and listen to all at once, but it is rhythmically edgy and full of ideas.

David McAlmont (described, none too flatteringly, as a "black, camp Björk" in his publicity material) started the year with a promising debut album, and then teamed up with ex-Suede man Bernard Butler to produce the fascinating *The Sounds of McAlmont and Butler*, and the unlikely hit single "Yes".

Unfortunately, they have since parted ways, but there should be some interesting developments from both men in 1996.

P.J. Harvey's *To Bring You My Love* was wonderfully weird and lyrically oblique, full of Nick Cave and Captain Beefheart references, but it also managed to be accessible in parts. Her live performances were frighteningly charismatic.

Some venerable oldies made perfectly respectable outings in 1995. Most impressive of all was David Bowie, now pushing 50, who reunited with old chum Brian Eno to hit close to his best form on *Outside*. Bowie is never happier than when immersed in pretension and conceptual flux, so his description of the album as a "non-linear Gothic drama hyper-circle" should only reassure us that he is, refreshingly, back to abnormal.

Less happy was Bruce Springsteen. *The Ghost of Tom*

**David Bowie reunited with Brian Eno to hit close to his best form on *Outside***

Joad was not just unplugged acoustically but in urgent need of a battery recharge. A stripped down sound is all very well, but these maudlin tales of blue collar life have strictly limited appeal - which after all is why Bob Dylan went electric instead of becoming a new Woody Guthrie.

The artist who still refuses to be called Prince, on the other hand, just deserved to have the plugged pulled on him. *The Gold Experience*, with its frankly childish bump-and-grind blend of innuendo and ersatz passion, showed a complete lack of inspiration.

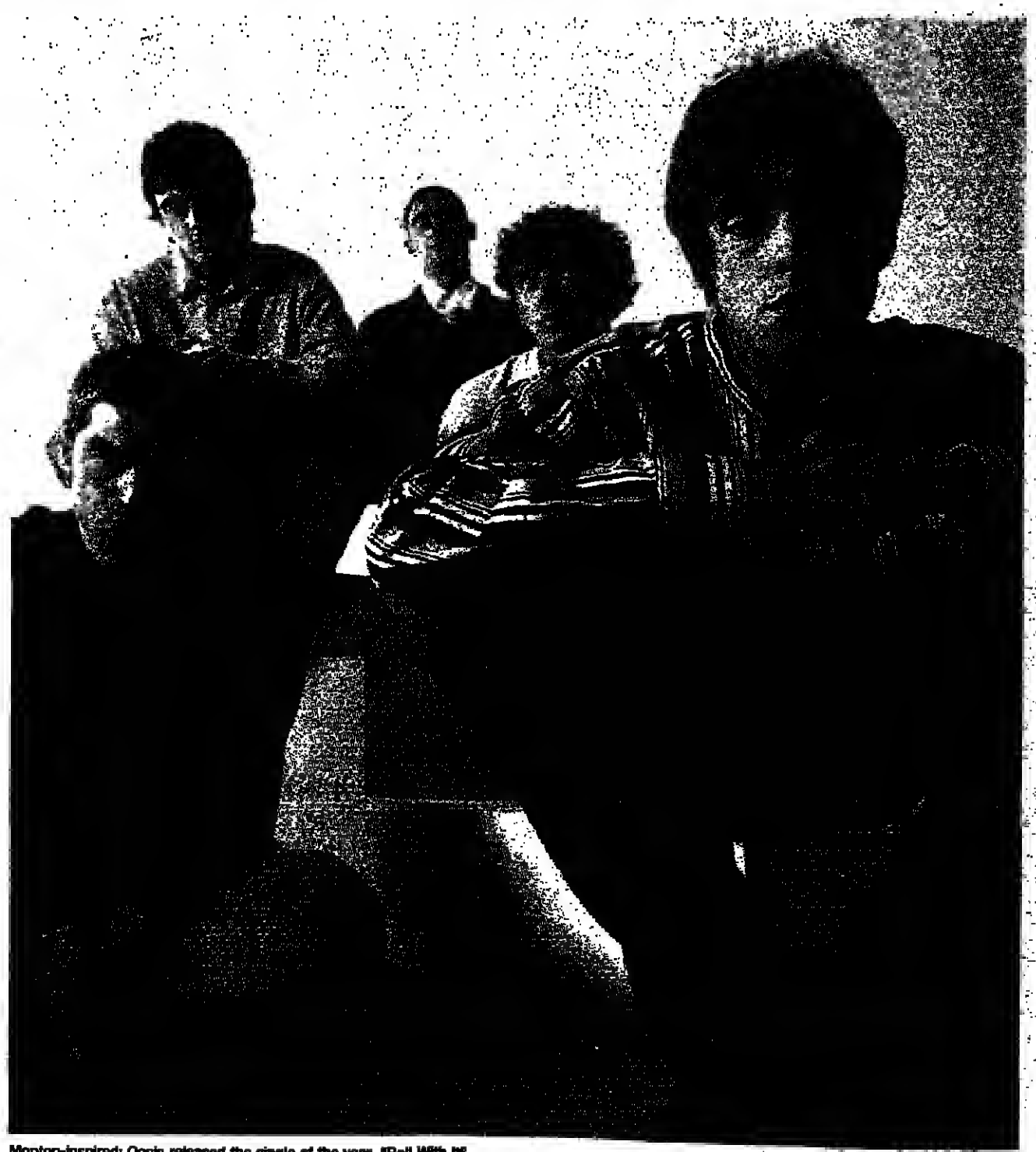
How curious that the most important pop artist of the 1990s should now sound more

dated than Herman's Hermits.

Van Morrison sounded full of the joys and even ventured into his old territory of Celtic mysticism on *Days Like This*, before ending the year with George Fame and a sparkling live set from Ronnie Scott's, *How Long Has This Been Going On?*

World music became less a matter of digging up unrecognized artists from around the globe than mixing styles to produce fabulously eclectic sounds. Nitin Sawhney fused Asian marketplace with British jazz funk on *Migration*. Natacha Atlas, who guested on Sawhney's work, made her own solo album, *Diaspora*, with the help of her friends from Trans-Global Underground, and twinned the exotic, passionate vocals of Middle Eastern music with a good old bass-and-drum thump. Les Negresses Vertes emerged from a period of *crisesse*, having lost their singer Helno Roza to a drug overdose, with the fine *Zig Zag*, full of stylish arrangements and fun.

Finally, the spirit of Band Aid lived on with the *Help* project, in which various artists were asked to contribute to a charity album which took just seven days to record, produce and distribute. There were notable efforts from Portishead, Neneh Cherry and Suede, and Paul Weller, who released the excellent *Stanley Road* earlier in the year, sounded as though he was in private fantasy land when he took the John Lennon part in "Come Together". All roads - long, winding or otherwise - seemed to lead to Lennon and McCartney in 1995.



Mop-top-inspired: Oasis released the single of the year, "Roll With It"

150 من المجلد



## INTERNATIONAL ARTS GUIDE

## What's on in the principal cities

## AMSTERDAM

## CONCERT

Concertgebouw Tel: 31-20-5730573

● Guillaume Tell (Act 3 and 4): by Rossini. Concert performance by the Koninklijk Concertgebouworkest, conducted by Riccardo Chailly, and the Groot Omroepkoor. Soloists include sopranos Charlotte Margiono and Elizabeth Norberg-Schulz, mezzo-soprano Monica Bacelli, tenor Stuart Neill, baritone Timothy Noble and bass Mario Lupert; 2.45pm; Dec 25

● Radio Filharmonisch Orkest: with conductor Edo de Waart and cellist Dmitri Ferschtman perform Dvorak's "Cello Concerto in B minor" and R. Strauss' "Also sprach Zarathustra"; 3pm; Dec 24

● Wibi Sauerjagt: the pianist performs works by Chopin and Liszt; 8.30pm; Dec 26

## OPERA &amp; OPERETTA

Het Muziektheater Tel: 31-20-5518117

● Die Zauberflöte: by Mozart. Conducted by Hartmut Haenchen and performed by De Nederlandse Opera. Soloists include Kurt Rydl, Michael Schade, Mary Durnieavy, Christine Schäfer and Andrea Schmidt. Stage designed by Karel Appel, costumes designed by Karel Appel and Jorge Jara; 1.30pm; Dec 25, 28 (7.30pm)

## ANTWERP

## CONCERT

Sportpaleis Antwerpen Tel: 32-3-3261011

● Luciano Pavarotti: with Il Novecento, conducted by Leone Magiera. The Italian tenor performs works by Puccini, Mozart, Mascagni, Verdi, Leoncavallo and others; 8pm; Dec 30

## OPERA &amp; OPERETTA

De Vlaamse Opera Tel: 32-3-2336806

● Sersse: by Handel. Conducted by Jos van Immerseel and performed by De Vlaamse Opera. Soloists include Jorma Silvasti, Christopher Robson and Ewa Podles; 7.30pm; Dec 26 (3pm), 28, 29

## ATHENS

## CONCERT

Athens Concert Hall Tel: 30-1-7282333

● BBC Symphony Orchestra: with conductor Dimitri Apathiotis perform Gershwin; 8.30pm; Dec 26

## BALTIMORE

## EXHIBITION

Baltimore Museum of Art Tel: 1-410-336-6310

● American Art Posters from the 1890s: exhibition of 67 artist-designed advertising posters, donated to the museum by Alfred and Dana Himmelrich. Including works by Edward Penfield, Will H. Bradley and William L. Carqueville; to Dec 31

## BERLIN

## DANCE

Deutsche Oper Berlin Tel: 49-30-3438401

● Die Schöneköpfe: a choreography by Ray Barra to music by Glazunov, performed by the Ballet of the Deutsche Oper Berlin; 8pm; Dec 27, 30 (5pm); Jan 4 (7pm)

● Komische Oper Tel: 49-30-202600

● Cinderella: ballet to music by Prokofiev, performed by the Ballet of the Komische Oper; 8pm; Dec 26 Staatsoper Unter den Linden Tel: 49-30-2026861

● Don Quixote: a choreography by Bart after Petipa to music by Minkus, performed by the Ballet Unter den Linden; 7pm; Dec 26; Jan 1 (8pm), 5

## OPERA &amp; OPERETTA

Deutsche Oper Berlin Tel: 49-30-3438401

● Aida: by Verdi. Conducted by Fabio Luisi and performed by the Deutsche Oper Berlin. Soloists include Ute Walther, Julia Varady and Friedrich Molsberger; 8pm; Dec 28 (7.30pm)

● Hänsel und Gretel: by Humperdinck. Conducted by Hans Hilsdorf and performed by the Deutsche Oper Berlin. Soloists include Gerd Feldhoff, Karan Armstrong, Hermine May and Alexandra von der Weth; 7pm; Dec 26 (also 3.30pm); Jan 5 Staatsoper Unter den Linden Tel: 49-30-2026861

● Die Zauberflöte: by Mozart. Conducted by Sebastian Weigls and performed by the Staatsoper Unter den Linden. Soloists include Endrick Wotrich, Carola Höhn, Kwangchul Youn (Dec 25) and René Pape (Dec 28); 7pm; Dec 25, 28 ● Madame Butterfly: by Puccini. Conducted by Fischl and performed by the Staatsoper Unter den Linden. Soloists include Dagmar Pecková, Dino di Domenico and Roman Trekel; 7pm; Dec 27

## BIRMINGHAM

## CONCERT

Symphony Hall Tel: 44-121-2123333

● Mozart Festival Orchestra: with conductor Ian Watson, trumpeter Crispian Steele-Perkins and violinist Anthony Marwood perform works by Handel, J.S. Bach, Albinoni, Pachelbel, Haydn and Vivaldi; 7.30pm; Dec 27



A self-portrait by Constantin Brancusi. Philadelphia Museum of Art is hosting an exhibition of his art and photographs

## JAZZ &amp; BLUES

Symphony Hall Tel: 44-121-2123333

● Glenn Miller Orchestra: with conductor John Watson and special guests Tony Mansell, Jan Messeder, The Moonlight Serenaders and the Uptown Hall Gang perform works by Glenn Miller; 7.30pm; Dec 28

## BONN

OPERA & OPERETTA

Oper der Stadt Bonn Tel: 49-228-7281

● Fidelio: by Beethoven. Conducted by Marcello Panni and performed by the Oper Bonn. Soloists include Barbara Daniels and Alex Steblinski; 7pm; Dec 26

## BRUSSELS

## OPERA &amp; OPERETTA

Théâtre Royal de la Monnaie Tel: 32-2-2291200

● Il Turco in Italia: by Rossini. Conducted by Ivan Fischer. Soloists include Tiziana Fabbricini, José van Dam, Barry Banks and Alberto Rinaldi; 8pm; Dec 26, 28, 30; Jan 2, 4, 6

## COLOGNE

## OPERA &amp; OPERETTA

Opernhaus Tel: 49-221-2218240

● Die Zauberflöte: by Mozart. Conducted by Georg Fischer and performed by the Oper Köln. Soloists include Martina Rüping and Nina Stemme; 7.30pm; Dec 26, 31 (6pm)

## THEATRE

Opernhaus Tel: 49-221-2218240

● Jacques Offenbach meets G.R.: by Ringwald/Offenbach. The Salonorchestra Köln, Toni Blankenhorn, Philip Doghnan, Natalie Prokoffov, performed by the Ballet of the Komische Oper; 8pm; Dec 26 Staatsoper Unter den Linden Tel: 49-30-2026861

● Don Quixote: a choreography by Bart after Petipa to music by Minkus, performed by the Ballet Unter den Linden; 7pm; Dec 26; Jan 1 (8pm), 5

## OPERA &amp; OPERETTA

Deutsche Oper Berlin Tel: 49-30-3438401

● Aida: by Verdi. Conducted by Fabio Luisi and performed by the Deutsche Oper Berlin. Soloists include Ute Walther, Julia Varady and Friedrich Molsberger; 8pm; Dec 28 (7.30pm)

● Hänsel und Gretel: by Humperdinck. Conducted by Hans Hilsdorf and performed by the Deutsche Oper Berlin. Soloists include Gerd Feldhoff, Karan Armstrong, Hermine May and Alexandra von der Weth; 7pm; Dec 26 (also 3.30pm); Jan 5 Staatsoper Unter den Linden Tel: 49-30-2026861

● Die Zauberflöte: by Mozart. Conducted by Sebastian Weigls and performed by the Staatsoper Unter den Linden. Soloists include Endrick Wotrich, Carola Höhn, Kwangchul Youn (Dec 25) and René Pape (Dec 28); 7pm; Dec 25, 28 ● Madame Butterfly: by Puccini. Conducted by Fischl and performed by the Staatsoper Unter den Linden. Soloists include Dagmar Pecková, Dino di Domenico and Roman Trekel; 7pm; Dec 27

## COPENHAGEN

## DANCE

Det Kongelige Teater Tel: 45-33 14 10 02

● The Sleeping Beauty: a choreography by Tomasson after Petipa to music by Tchaikovsky, performed by the Royal Danish Ballet; 8pm; Dec 28; Jan 4

## OPERA &amp; OPERETTA

Det Kongelige Teater Tel: 45-33 14 10 02

● Hamlet: by Thomas. Conducted by Dietfried Bernat and performed by the Royal Danish Opera. With the Danish baritone Bo Skovhus in the title role. Other soloists include Inger Dam-Jensen (Dec 29), Djina Mai-Mai (Jan 3, 6) and Randi Stene; 8pm; Dec 29; Jan 3, 6

## DENVER

## EXHIBITION

Denver Art Museum Tel: 1-303-640-2793

● Dennis Miller Bunker: American Impressionist: exhibition devoted to this early practitioner of the Impressionist style. Bunker (1861-1890) created portraits as well as landscapes. The display includes around 50 paintings; to Dec 31

## DETROIT

## EXHIBITION

31-20-5730573

● The Nutcracker: a choreography by Poljakov to music by Tchaikovsky, performed by Rachel Fabre, Umberto De Luca, Bruno Milo, Massimo Andarolo and Maggioranza; 8.30pm; Dec 24, 27, 28, 29, 30

## The Detroit Institute of Arts Tel: 1-313-833-7963

● Nature Observed, Nature Interpreted: 19th-Century American Landscape Drawings and Watercolors: early American draftsman's work is examined through works by William Trost Richards, Thomas Moran, Frederic Church, Thomas Cole and others; to Dec 31

## DRESDEN

## DANCE

Sächsische Staatsoper Dresden Tel: 49-351-49110

● La Fille mal Gardée: a choreography by Lazzini to music by Hérold, performed by the Ballet Dresden; 8pm; Dec 25, 28 (7pm)

## OPERA &amp; OPERETTA

Sächsische Staatsoper Dresden Tel: 49-351-49110

● Un Ballo in Maschera: by Verdi. Conducted by Ingo Metzmacher and performed by the Sächsische Staatsoper Dresden. Soloists include Mario Malagnini, Dimitri Kharitonov and Soja Smoljanova; 7pm; Dec 27, 30; Jan 3, 6

## DUBLIN

## CONCERT

National Concert Hall - Geoláras Náisiúnta Tel: 353-1-6711533

● New Year's Eve Musical Celebration: by the RTE Concert Orchestra, conducted by Proinsias Ó Dolinn. Soloists include tenor Ronan Tynan; 9.45pm; Dec 31

## EXHIBITION

National Gallery of Ireland Tel: 353-1-6615133

● Turner Watercolours: annual exhibition of watercolours and drawings by J.M.W. Turner (1775-1851). Of the 35 works on show, 31 were bequeathed to the Gallery by Henry Vaughan in 1900. He stipulated that they should only be exhibited in January when the sunlight is weakest. The works include views of the South-East Coast of England, Harlech Castle, The Grand Canal in Venice and Lake Constance in Austria; from Jan 1 to Jan 31

## FLORENCE

## DANCE

Teatro Comunale Tel: 39-55-211158

● The Nutcracker: a choreography by Poljakov to music by Tchaikovsky, performed by Rachel Fabre, Umberto De Luca, Bruno Milo, Massimo Andarolo and Maggioranza; 8.30pm; Dec 24, 27, 28, 29, 30

## FRANKFURT AM MAIN

## EXHIBITION

Städtisches Kunstinstitut Tel: 49-69-605098-115

● Die Entdeckung der Kunst: exhibition of Dutch 15th and 16th-century art from Frankfurt's museum and private collections; from Dec 28 to Mar 8

## HAMBURG

## OPERA &amp; OPERETTA

Hamburgische Staatsoper Tel: 49-40-351721

● Hänsel und Gretel: by Humperdinck. Conducted by Rainer Mühlbach and performed by the Hamburg Oper. Soloists include Elke Wilm Schulte, Cynthia Jacoby (7pm) and Yoko Kawahara-Stobinski (3pm); 3pm & 7pm; Dec 25

## HANOVER

## THEATRE

Niedersächsisches Schauspielhaus Tel: 49-511-321133

● A Midsummer Night's Dream: by Shakespeare (in German). Directed

by Jens Schmidt and performed by the Niedersächsisches Schauspielhaus; 8pm; Dec 31

## HELSINKI

## OPERA &amp; OPERETTA

Opera House Tel: 358-0-403021

● Die Fledermaus: by J. Strauss. Concert performance by the BBC Concert Orchestra, conducted by James Lockhart. Soloists include Robert Tear, Amanda Thane, Judith Howarth and Claire Powell; 3pm; Dec 28

## HOUSTON

## EXHIBITION

Museum of Fine Arts Tel: 1-713-639-7300

● Visions of Love and Life: Pre-Raphaelite Art from the Birmingham Collection, England: this exhibition of paintings and sculptures from the Birmingham Museum and Art Gallery collection surveys the full range of the Pre-Raphaelite movement, from the late 1840s until the 1890s; to Jan 2

## LEIPZIG

## CONCERT

Gewandhaus zu Leipzig Tel: 49-341-12700

● Symphony No.9: by Beethoven. Performed by the Gewandhausorchester with conductor Kurt Masur, the MDR-Chor and the Gewandhauschöre. Soloists include soprano E. Wiens, alto A. Markert, tenor T. Moser and bass H. Polster; 8pm; Dec 29, 30, 31 (5pm); Jan 1 (11am)

## OPERA &amp; OPERETTA

Oper Leipzig Tel: 49-341-1261261

● Boris Godunov: by Mussorgsky. Conducted by Kulka and performed by the Oper Leipzig and the Gewandhausorchester; 8pm; Dec 25

## LONDON

## CONCERT

Barbican Hall Tel: 44-171-6388891

● Philharmonia Orchestra: with conductor Andrew Inghis and pianist Mark Bobbington perform Mendelssohn's "The Hebrides Overture (Fingals Cave)", Mozart's "Eine kleine Nachtmusik", Rachmaninov's "Piano Concerto No.2" and Dvorak's "Symphony No.9 (From the New World)"; 7.30pm; Dec 26

## LYON

## OPERA &amp; OPERETTA

Opéra de Lyon Tel: 33-72 00 45 45

● Die Fledermaus: by J. Strauss. Conducted by Michel Swierczewski and performed by the Opéra de Lyon. Soloists include Danielle Borst, Jeannette Fischer, Virginie Pochon and Pomone Epomé; 8.30pm; Dec 26 (7.30pm), 28, 30, 31

## THEATRE

Théâtre des Célestins Tel: 33-78 37 50 51

● Monsieur de Saint-Futelle: by Daudet. Directed by Jean-Luc Moreau, starring Jean-Claude



Lesley Garrett in the English National Opera production of La Belle Vivette. Photo: Peter

7.30pm; Dec 28

Wigmore Hall Tel: 44-171-8352141  
● Gerhard Oppitz: the pianist performs works by J.S. Bach/Kempff, Beethoven and Schubert; 7.30pm; Dec 29  
● Wilton Quartet: perform works by Schubert, Mozart and Dvorak; 7.30pm; Dec 28

## DANCE

Royal Festival Hall Tel: 44-171-9604242

● The Nutcracker: ballet to music by Tchaikovsky, performed by the English National Ballet; 2.30pm & 7.30pm, Jan 1, 2 only 7.30pm, not on Dec 31, Jan 4, 5; from Dec 26 to Jan 6

## Royal Opera House - Covent Garden Tel: 44-171-3044000

● The Royal Ballet: perform two choreographies by its founder Frederick Ashton: "Les Patineurs", to music by Meyerbeer, and "Tales of Beatrix Potter"; 7.30pm; Dec 28 (2pm & 7pm), 29 (7pm); Jan 1, 5, 6

## JAZZ &amp; BLUES

Purcell Room Tel: 44-171-9604242

● Boxing Day Jazz with the Great Stan Tracey: the jazz pianist, composer and arranger joins forces in the Stan Tracey Trio with bass-player Andy Cleynard and drummer Clark Tracey; 7.30pm; Dec 28

## OPERA &amp; OPERETTA

Barbican Hall Tel: 44-171-6388891

● Die Fledermaus: by J. Strauss. Concert performance by the BBC Concert Orchestra, conducted by James Lockhart. Soloists include Robert Tear, Amanda Thane, Judith Howarth and Claire Powell; 3pm; Dec 28

## London Coliseum Tel: 44-171-8360111

● La Belle Vivette: adapted from Offenbach's "La Belle Hélène" by Michael Frayn. Conducted by James Holmes and performed by the English National Opera. Soloists include Lesley Garrett, Neil Archer and Andrew Shore; 7.30pm; Dec 28, 30 (also 2.30pm); Jan 4

## ● Turandot: by Puccini. Conducted by Noel Davies and performed by the English National Opera. Soloists include Sophia Larson (Dec 29, Jan 5), Janice Cairns (Jan 3) and Edmund Barham; 7.30pm; Dec 29; Jan 3, 5

## Royal Opera House - Covent Garden Tel: 44-171-3044000

● Aida: by Verdi. Conducted by Daniela Gatti and performed by The Royal Opera. Soloists include Sharon Sweet, Nina Tarentjeva, Leah-Marian Jones, Michael Sylvester (Dec 27), Dennis O'Neill (Dec 30) and Simon Estes; 7.30pm; Dec 27, 30

## THEATRE

Barbican Theatre Tel: 44-171-6388891

● A Christmas Carol: by Dickens. Directed by Ian Judge, starring Clive Francis, Simon Burke and Mike Burnside; 7.15pm, Thur & Sat, also 2pm, not on Dec 31, Jan 5; from Dec 26 to Jan 6

## Cottesloe Theatre Tel: 44-171-9282252

● Richard III: by Shakespeare. Directed by Deborah Warner and performed by the Royal Shakespeare Company, with Fiona Shaw as the King; 7pm; Dec 29, 30 (also 1.30pm); Jan 1, 2

## Lyttelton Theatre Tel: 44-171-9210631

● Rosencrantz and Guildenstern are Dead: by Stoppard. Directed by Matthew Francis, starring Simon Russell Beale as Guildenstern; 7.30pm; Dec 29, 30 (also 2.15pm); Jan 1

## The Pit Tel: 44-171-6388891

● Son of Man: by Potter. Directed by Bill Bryden and performed by the Royal Shakespeare Company. This play tells how Pontius Pilatus succumbs to political pressures and silences a young Jew mercilessly; 7.15pm; Dec 27, 28 (also 2pm); Jan 3, 4 (also 3pm)

## LONDON

## CONCERT

Barbican Hall Tel: 44-171-6388891

● Philharmonia Orchestra: with conductor Andrew Inghis and pianist Mark Bobbington perform Mendelssohn's "The Hebrides Overture (Fingals Cave)", Mozart's "Eine kleine Nachtmusik", Rachmaninov's "Piano Concerto No.2" and Dvorak's "Symphony No.9 (From the New World)"; 7.30pm; Dec 26

## LYON

## OPERA &amp; OPERETTA

Opéra de Lyon Tel: 33-72 00 45 45

● Die Fledermaus: by J. Strauss. Conducted by Michel Swierczewski and performed by the Opéra de Lyon. Soloists include Danielle Borst, Jeannette Fischer, Virginie Pochon and Pomone Epomé; 8.30pm; Dec 26 (7.30pm), 28, 30, 31

## THEATRE

Théâtre des Célestins Tel: 33-78 37 50 51

● Monsieur de Saint-Futelle: by Daudet. Directed by Jean-Luc Moreau, starring Jean-Claude

Brialy, Franck de Lapersonne, Patrick Haudecoeur and Patrick Rocca; 8.30pm; from Dec 26 to Jan 1

## MADRID

## CONCERT

Auditorio Nacional de Música Tel: 34-1-3370100

● Symphony No.8: by Beethoven. Performed by the Orquesta Sinfónica de Madrid and the Orquesta Donostiarra, conducted by Rafael Frühbeck de Burgos; 7.30pm; Dec 27, 28

## MILAN

## OPERA &amp; OPERETTA

Teatro alla Scala di Milano Tel: 39-2-72003744

● Die Zauberflöte: by Mozart. Conducted by Philippe Auguin and performed by the Opera Teatro alla Scala. Soloists include Sergio Bertocchi, Lloba Braun, Paul Groves and Soile Isokoski; 8pm; Dec 29, 31 (3pm)

## MONTPELLIER

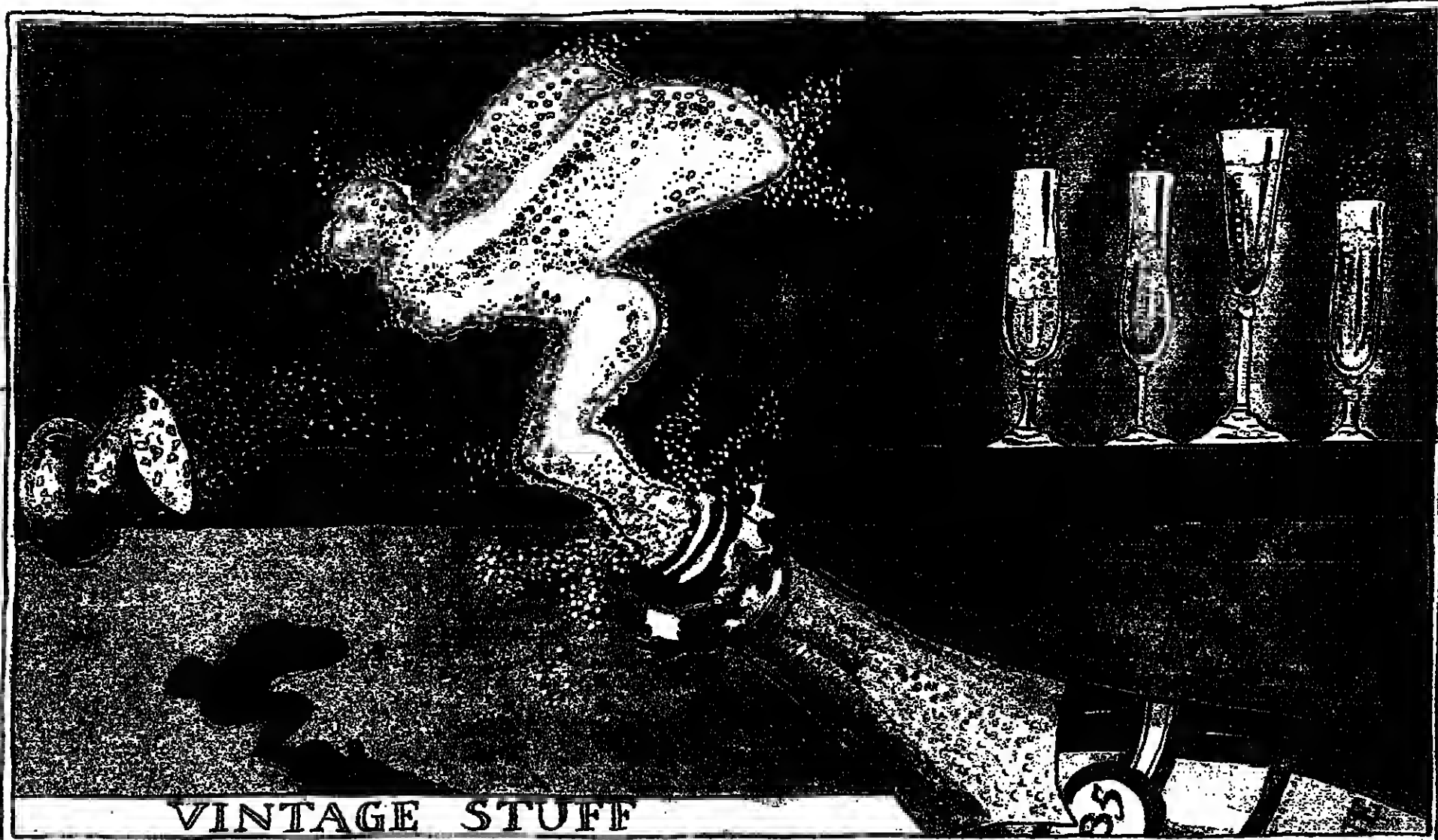
## DANCE

Opéra de Montpellier Tel: 33-67 60 19 99

● Soirée Balanchine: the Ballet de l'Opéra de Paris perform Balanchine's choreographies "Le Filis Prodiges", "Sérénades" and "Theme et Variations"; 8.30pm; Dec 27, 28



## FOOD AND DRINK



## Expensive, and so glamorous

Someone has to do it. Jancis Robinson tastes some luxury champagnes for the festive season

There was a moment, as I was opening the bottles for this tasting of luxury champagnes, when I began to doubt one of my favourite homilies, about how much I would hate to drink nothing but the finest wine.

I still think a life lubricated only by first-growth claret and grand cru burgundy would be dull. But, as a creamy, lacy, luxurious perfume suffused one of the FT dining rooms, I realised that, so far as champagne is concerned, I would happily drink nothing but the *crème de la crème*.

In a repeat of the very first FT tasting I was involved in, eight years ago, we nobly surveyed the most expensive and glamorous products of the Champagne region, the so-called *cuvées de prestige*.

I was joined by Edmund Penning-Rowell, doyen of wine writers, and the respected palate of wine writer Steven Spurrier. The bottles were wrapped in silver foil so that we could react only to the wine and not to these premium brands' carefully contrived images.

This is a relatively new category of champagne, priced above regular vintage-dated bottlings, which themselves command a considerable premium above the standard non-vintage blends.

Dom Pérignon, launched by Moët & Chandon in 1937, was the first of these ne plus ultra bottlings and now virtually all of the famous names (and many not-so-famous) have their own answer to Domper, invariably packaged in its own, specially shaped, extremely expensive bottle.

In fact Dom Pérignon 1985 (see below for price and stockists) was one of our favourite wines of this tasting: extremely distinctive, so obviously on a different plane from what one might call ordinary champagne: one of us wrote "spiritual", another "uplifting". It has a particularly intellectual, demanding, tight-knit character - although doubtless there are hundreds of regular drinkers of the stuff who drink it for entirely different reasons.

Being a 1985, a first class vintage, this was one of the most mature bottles (as Steven Spurrier pointed out somewhat grimly, "the minute you can hardly buy the year any more, they begin to taste wonderful").

Dom P is widely available at £60-plus, but Fullers have it at £55.99 and Morrisons, the northern supermarket chain, can beat that price. Some stockists have already moved on to the 1988 vintage but Selfridge's can provide older vintages in special gift boxes

(from £100 for the 1978 to £199 for a freshly disgorged 1993). Stockists cited below tend to offer one of the best prices. Another 1985 was also a great hit and one of the better buys: Diamant Bleu 1985 (£34.99 Oddbins) from Segram's rather waffly subsidiary Heidsieck Monopole. (The odd bottle of their seriously underpriced 1985 regular vintage may still be found in the darker corners of some Oddbins shops.) The bottle is pretty hideous, but the wine has a beautifully mature scent, with bread, elegance and a steely, complex fragrance. A beautiful aperitif.

The third 1985, Mumm's Réserve Lalou (£34.99 Oddbins) was less thrilling, although perfectly sound, in spite of its horrid bottle.

Pol Roger's Cuvée Sir Winston Churchill 1986 (£27.50 Selfridge's) tasted three or four years younger than these 1985s as opposed to just one, and Steven relished "the armchairness of it". I wanted to keep it until 2000.

The only 1987, Cuvée Louise Pommery (£38.99 Bibendum), was another favourite and is one of those obviously mature champagnes that would go well with food. It was almost like fine white wine with bubbles, reminding me strangely, but appetisingly, of the burnt

toast of old Hunter Valley Semillon.

Of the 1988s which dominated this selection of the prestige champagnes currently on offer, Verve Cielnot's Grande Dame 1988 (£55 Fortnum & Mason or £77.98 for two at Majestic) and Dom Ruinart Blanc de Blancs 1988 (£38.99 Bibendum) both showed very well. The Grande Dame seemed

**Roederer Cristal, in its distinctive bottle, is a victim of its own success**

quite gentle when flanked by Taittinger's aggressively youthful Comtes de Champagne 1988 and Perrier Jouët's Bella Epoque 1988 (the only real disappointment of the tasting in which heaviness seemed to have been confused with weight).

It would be easy, on the other hand, to imagine enjoying Billecart Salmon's Pinot Noir-head Cuvée N°1 Billecart 1988 (a bargain £29.95 at Harvey Nichols) in copious quantities with food. (Oddbins may still have some delicious Bille-

cart-Salmon 1983 at £28.99.)

Cuvée William Deutz 1988 (about £40 at Harvey Nichols) was extremely fruity (actually a rather unusual attribute in this company), while Gosset's recently launched, rather overdone Celebris 1988 did not charm us as much as older vintages from this ancient house.

Roederer Cristal, in its distinctive clear bottle swathed in coloured cellophane is a victim of its own success. Demand is so much in excess of supply that the 1989 vintage (£77 Selfridge's, also in some of the chains) is currently on offer, and very youthful and convincing it is too.

The oldest wine of the lot is a curiosity. Bollinger RD 1982 (£49.95 Lay & Wheeler, £52 Selfridge's) is just that: the extremely full-bodied 1982 vintage Bollinger aged in bottle on its yeast lees until being separated from this enriching sediment and reworked earlier this year. This is a delightful idea, but Bollinger's very heavy, oaky style results in a wine that Steven Spurrier described as "sparkling Corton-Charlemagne" rather than anything as refreshing as most other champagnes. Definitely a wine for the dining table rather than the drawing room.

Finally, as luck would have it they were among the last few bottles, two prestige *cuvées* not vintage dated because they are made from several different vintages. Laurent Perrier's Grand Siècle (£37.99 Oddbins) had a racy, limey, gunflint character, while Krug was in a class of its own. With its very distinctive, toasty, almost beefy style, this is a wine which demands the drinker's full attention, and usually a very deep pocket (although Oddbins has it for £62.99 and Lay & Wheeler for £62.94).

If by any chance you want to buy six bottles of de luxe champagne, head straight for Oddbins which will throw in a seventh for nothing. Smart department stores generally offer a wide range by the single bottle.

With very few exceptions these de luxe bottlings did truly offer a taste of luxury. Those who feel that such prices for a bottle of wine are simply unthinkable, however, should consider buying a good vintage champagne and, if possible, sitting on it for a few years.

Anyone clever, and solvent, enough to have stashed away some bottles of 1985 vintage champagne will have some lovely, luxurious fizz to drink this winter. We would all be well advised to lay in some 1988s for all that drinking we have to do in the last few bottles, two prestige *cuvées*

not vintage dated because they are made from several different vintages. Laurent Perrier's Grand Siècle (£37.99 Oddbins) had a racy, limey, gunflint character, while Krug was in a class of its own. With its very distinctive, toasty, almost beefy style, this is a wine which demands the drinker's full attention, and usually a very deep pocket (although Oddbins has it for £62.99 and Lay & Wheeler for £62.94).

If by any chance you want to buy six bottles of de luxe champagne, head straight for Oddbins which will throw in a seventh for nothing. Smart department stores generally offer a wide range by the single bottle.

With very few exceptions these de luxe bottlings did truly offer a taste of luxury. Those who feel that such prices for a bottle of wine are simply unthinkable, however, should consider buying a good vintage champagne and, if possible, sitting on it for a few years.

Anyone clever, and solvent, enough to have stashed away some bottles of 1985 vintage champagne will have some lovely, luxurious fizz to drink this winter. We would all be well advised to lay in some 1988s for all that drinking we have to do in the last few bottles, two prestige *cuvées*

not vintage dated because they are made from several different vintages. Laurent Perrier's Grand Siècle (£37.99 Oddbins) had a racy, limey, gunflint character, while Krug was in a class of its own. With its very distinctive, toasty, almost beefy style, this is a wine which demands the drinker's full attention, and usually a very deep pocket (although Oddbins has it for £62.99 and Lay & Wheeler for £62.94).

If by any chance you want to buy six bottles of de luxe champagne, head straight for Oddbins which will throw in a seventh for nothing. Smart department stores generally offer a wide range by the single bottle.

With very few exceptions these de luxe bottlings did truly offer a taste of luxury. Those who feel that such prices for a bottle of wine are simply unthinkable, however, should consider buying a good vintage champagne and, if possible, sitting on it for a few years.

Anyone clever, and solvent, enough to have stashed away some bottles of 1985 vintage champagne will have some lovely, luxurious fizz to drink this winter. We would all be well advised to lay in some 1988s for all that drinking we have to do in the last few bottles, two prestige *cuvées*

not vintage dated because they are made from several different vintages. Laurent Perrier's Grand Siècle (£37.99 Oddbins) had a racy, limey, gunflint character, while Krug was in a class of its own. With its very distinctive, toasty, almost beefy style, this is a wine which demands the drinker's full attention, and usually a very deep pocket (although Oddbins has it for £62.99 and Lay & Wheeler for £62.94).

If by any chance you want to buy six bottles of de luxe champagne, head straight for Oddbins which will throw in a seventh for nothing. Smart department stores generally offer a wide range by the single bottle.

Cookery / Philippa Davenport

## Thanks to St Zita

When I raised some queries about St Zita in this column earlier this year, readers responded with speed, kindness and willing research.

Letters from more people than there are heads in the rosary winged their way to me from all corners of the globe, quoting chapter and verse about the woman I described as the patron saint of all cooks in a hurry.

I am grateful to all my correspondents and relish some of the supplementary details received, including snippets sent in by people seeking to deny Zita's sainthood (the Italians were at the forefront here, while the Americans, Swiss and residents of Hong Kong proved her greatest defenders).

By common consent Zita was born in 1218, was employed for most of her life by a Luccan family called Fatimelli, died between 1272 and 78, and now lies in a glass case in the church of San Frediano in the lovely walled town of Lucca. Whether she worked miracles with food, or the angels performed miracles on her behalf, is more questionable.

Some sources state that St Zita was well known in England by the late middle ages, although her cult seems to have been popular rather than official. She was apparently known in England as Sitha, and was invoked by housewives and servants "especially when they lost their keys or were in danger from rivers or crossing bridges".

I am particularly grateful to Herr Rudiger Rietig, who wrote to me about the life of St Zita and told me about Dante's reference to her in his *Inferno*. He ended with an extract from Dante "to arouse your professional interest", a description of how devils dealing with souls (including the corrupt officials of Lucca) in boiling cauldrons "...pricked them with spear and lance until the pitch. Food well overflavored them and let the bodies disappear - like the cook pressing down dumplings into meaty broth."

Quite how saintly Zita was, and quite how unsaintly her employer may have been, we do not know. Some sources describe him as plaguing her with seductive advances, others as possessed of a violent temper.

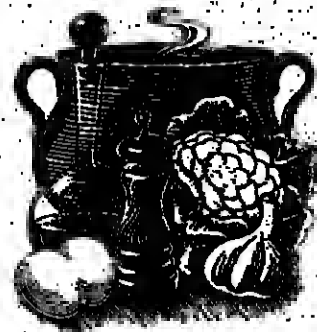
But let us return to the reason that made me turn to St Zita in the first place - namely the search for help and inspiration in creating good food, fast. At this season more than any other, life seems fraught. Christmas Day looms. The menus required for the big occasion often suggest more labour than holiday for the person in charge of kitchen productions. Then there is office pressure to get an untoward amount of work done ahead of the holiday break, links with lost relatives to re-establish, the annual Christmas card frenzy, daytime and late-night shopping for stocking fillers and presents proper, the urge to find new party clothes, crowded streets to face, worse than ever traffic

...jams and trains running late... Wear and tear is beginning to show in everyone. Fast foods, soothing restorative foods for tired commuters and Christmas shoppers are sorely needed now. I implored St Zita for inspiration and received this quick suggestion. Not a miraculous solution for feeding five thousand, just a modest feast based on a loaf and a fish.

**BRILL WITH CITRUS AND OLIVES**

Brill is a fine, under-rated fish: excellent lightly steamed and finished in this fragrant and unusual way. Crusty warm bread is all that is needed to partner it, though if time and energy permit, I like also to serve with it fresh spinach lightly steamed until wilted. The quantities given here are enough to serve two people. Simply double or treble all ingredients to serve four or six people, when you will probably need an extra steamer basket to stack on top of the first.

**1/2 xlb fine fillets of brill, skinned; 1 orange; half a lemon; 1 dozen small sweet black Nipoise or Taggiasca olives; 2/3 tablespoons extra virgin olive oil, preferably Lig-**



urian or Provençal; the merest pinch of fresh chopped marjoram or oregano; 1 generous tablespoon chopped flat-leaf parsley.

Cut the peel from the orange and lemon, removing all traces of white pith along with the skin. Then free the flesh from the membrane by cutting down into the centre of the fruit between the membrane and flesh to release juicy V-shaped segments, and extract any ribs with the tip of a knife. Eight neat orange segments and four of lemon are needed for this dish. Put the fruit into a small saucepan, add the olives and olive oil and reserve.

Lay the brill fillets side by side in a well-oiled steamer basket. Brush them lightly with olive oil and season well with sea salt and black pepper. Place the steamer basket over (but not touching) fast simmering water. Cover and cook for a few minutes until the fish is done. (There should be a hint of translucency in the centre of the fillet when you part it with the tip of a knife.)

When the fish is ready, carefully transfer it to a warmed dish and let rest in a low oven while you gently but thoroughly warm (on no account fry) the citrus and olives in the olive oil. Away from the heat, add the chopped herbs to the saucepan and swirl to mix the gently bubbling ingredients. Spoon the aromatic dressing over the fish and serve straight away.

### Malt whiskies

Malt whisky is a strangely unpredictable beast: one cask will give you oceans of drinking pleasure, while another filled under same conditions, on precisely the same day, will remain cussed and obdurate, its contents fit only for astute blending.

The growing tendency on the part of distillers to release small batches of whisky, often at cask strength, can only be praised; but there is always a chance, if they are not careful, that they do nothing to enhance the image of a distillery.

United Distillers have, rather quietly it has to be said, put a lot of "rare malts" on the market.

For the UK market are a Brora 1975 (20-year-old), Glenury Royal 1971 (23-year-old), Linkwood and Glendullan 1972 (22-year-olds). They are all at cask strength and retail

at around £40 a bottle. The Glenury is a surprising dram, slightly salty. The Linkwood is a good expression of this excellent Scotch. The Brora is less obviously peaty than the 1972 from Gordon and MacPhail.

The duty free range contains some gems (all five may be bought in a box of 20cl miniatures: a litre for £50): Clynelish 1972 (22 years), Glenloch 1969 (26 years), North Port 1971 (23 years), Hillside 1969 (26 years), and Mortlach 1972 (22 years).

The only one of these I found disappointing was the North Port. The Hillside was wonderfully vinous and crisscross at the same time; both the Glenloch and the Clynelish lovely sweet, old whiskies; the Mortlach a Speyside classic.

**Giles MacDonogh**

### FARR VINTNERS

No-one sells more fine wine in the UK.

We make it easy and profitable to sell your wine.

Cash or broking terms offered.

Contact Jonathan Stephens

Tel. 0171 828 1960

Fax. 0171 828 3500

**Louis Laiter Ltd**  
Fine and affordable red and white Burgundies.  
For stockists,  
tel: 0171-409 7276

## A shortage of caviar

**G**astronomes take heed. The sturgeon is getting rarer, and its eggs are in short supply. In a good year the Iranians used to can up to 30 tonnes of caviar a year. Last year they sold 200 tonnes, this year 120.

Ironically perhaps, the replacement of the Soviet Union with newly created market economies is beginning to deprive the world's photocasts of their favourite nibbles.

The suggestion is that the Russians are scoffing it all themselves: that stinking-rich 1 per cent which has now emerged from the ruins of Marxist-Leninism. In the past poor Ivan was left with the dross. Good caviar was shipped abroad for foreign currency. Now any Russian with any nous goes down to the Black Sea or the Sea of Azov and buys a fish for a fistful of dollars.

The shortage means that even the Poles, who used to offer tins of caviar to restaurateurs or punters on British race-tracks, have gone back into the woodwork. And the black market German trade went flat when the Russian army left last year.

I learned all this from Laura Morris, of Whites, which has been trading in Russian caviar for 100 years.

Dealing with tsars or the satraps of the Soviet state was a cinch compared to the wideboys of today's trade. The company used to get by with what it got from the Russians, but now 90 per cent of its supplies come from oversubscribed stocks in Iran.

Russians still process caviar in Astrakhan, but there are new brooms in Guryev in Kazakhstan and Baku in Azerbaijan. The Russian source is still the best.

Baku is the wild east, where nothing can be obtained without greasing the appropriate palms. Traders live in fear of their lives. Recently the number two in the Russian state company was shot.

It is not enough just to buy caviar. It needs to be good. A few years ago, in the old Soviet days, Whites were cheated out of thousands of pounds when the tins they had bought turned out to be filled with lard. In general, however, the old regime traded honourably. Baku caviar, spilling out through Dubai at a rate of 1.5 tonnes a week, seems good

enough, but it is not clear where it comes from.

The Beluga from the Sea of Azov has not found favour. It has a sweet taste and the suppliers have run out of tins and sell the caviar in large jars.

Morris's job has become increasingly difficult. There is good Osetra to be had from the Amur River which separates Siberia from Mongolia, but the processing plants need to be carefully examined, and that requires travelling to increasingly dangerous lands.

In the Gironde Estuary in France, three farms offer up to 100 kilos a year. Unlike the Russians and the Iranians the French perform caesareans on the fish and put them back in the water.

A while back there were scare stories circulating about poor hygiene standards in the Russian fisheries. Much of this was to do with certain companies wanting to promote Iranian caviar as being superior to Russian.

According to Morris, pollution in the Caspian is not so great, nor is the issue so simple. The Iranians catch their fish on the open seas, before they are ready to spawn. This means that the egg is firmer

than the Russian, which is caught in estuaries, where the fish has gone to give birth. Which sort you chose in the past was a matter of taste.

Now, with caviar in such short supply the old rivalry has been largely forgotten.

Over-fishing is another problem. Fishermen are now taking the sturgeon too young. Morris opened some tins. The Beluga was a lustrous black, rather than the usual gun-metal grey, the colour of Sevrega. This was a young fish, she said. As the animal matures the eggs get lighter in colour. This accounts for the so-called "golden" osetra caviar: it comes from a very old fish.

The environmental factor is not to be discounted, however. The water levels in the Caspian are rising, and the fish are becoming harder to find. This, together with the alterations to the region's political map is contriving to rob us of one of the world's greatest delicacies. At £35 a 50g portion in Maxim's in Moscow, Russians will kill for it.

To order from Whites ring 0181-992 8764. Fax: 0181-993 2060.

**Giles MacDonogh**

### Appetisers

**A**north Italian Christmas would be inconceivable without a hunk of panettone, the light, dried fruit and currant cake enriched with butter and egg yolks.

Few people make their own panettone, but rather buy a reputable Milanese brand from shops all over Italy. In recent years the better sorts have been available in the UK. The best will be light and fluffy with plenty of fruit, orange

and lemon peel, and smell pleasingly of vanilla. A slightly oily surface to the dough is a good sign, meaning that plenty of butter has been used in its manufacture. If not the panettone will taste dry.

At a recent tasting neither the Harrods version from Virginia (£6.95 for 500g) nor the Pini panettone from Fortnum & Mason (£9.95) were consid-

ered to be in the top class. The best were the red label Virginia sold by Harvey Nichols (tel: 0171-935 5000, 1kg £9.95), Luigi in London's Fulham Road, (0171-362 7739) and Selfridge's.

Also good was Harvey Nichols' own label: also 1kg, also £9.95. Panettone makes an excellent Christmas breakfast with coffee. **GMcD**

It looks like it.  
It sparkles like it.  
It tastes like it. But it doesn't cost like it.

Using the finest Chardonnay grapes this French sparkling wine from Sainsbury's is made by the 'Méthode Traditionnelle'. A slow fermentation in the bottle ensures fine bubbles, while an extended maturation gives the wine its classical, biscuity character.

It's just one of the wines which exemplifies why, once again, Sainsbury's became Supermarket Wine Merchant of the Year. Available in most stores. £6.45

**Sainsbury's**

السنة ١٤١٥ هـ



## BOOKS

# Money, sex, hype – and a move upmarket

Jackie Wullschlager looks back at a publishing year of record advances, deregulated prices and a bestseller list which featured Delia Smith and Jane Austen

**JANUARY.** First surprises of the year: two stunningly different novels by unknown authors. Jostein Gaarder's story of philosophy, *Sophie's World* (Orion, £15.99), and Michael Ridpath's financial thriller *Free to Trade* (Heinemann, £9.99), shoot into the bestseller lists. They mark a major battle for 1995: will publishers manage to make sophisticated, intellectual books break through to bestsellerdom, or will thriller-money-and hype win out?

*Sophie's World*, with its Alice-in-Wonderland strangeness mixed with impeccable political correctness (female philosophers, feminist teenagers taking on the boys), is an optimistic start for 1995's serious publishing. Other highest bestsellers follow. Graham Hancock's search for a lost civilisation, *Fingerprints of the Gods* (Heinemann, £16.99; 58,000 copies), Richard Dawkins' story of evolution *River out of Eden* (Weidenfeld, £9.99).

At the other extreme, the interest in *Free to Trade*, which agent Carole Blake found on her slush pile and sold for £250,000, suggests that money is to talk louder than ever in publishing: books are hyped according to the advances their authors receive, while the money markets – helped by the Barings scandal just about to break – become a trendy subject.

**FEBRUARY.** The traditional dead time for books, after the Christmas binge, before the spring season. This is when many publishers launch a good but offbeat title which picks up mass publicity. This year, a superb example: James Boswell's *The Marriage of Isaac and Rebecca* (Penguin, £12.99), a surprise bestseller (85,000 paperbacks, 20,000 audiocassettes). Most controversial are two biographies revolving round blame and forgiveness: Gitta Sereny's brilliant *Albert Speer: His Battle with Truth* (Macmillan, £25; too lenient? or a masterpiece on the nature of evil?) and Elizabeth Eitinger's *Hannah Arendt: Morality Heidegger* (Yale, £10.95), about the love-affair between the Jewish and Nazi thinkers (a betrayal of feminism? or psychological truth triumphing over political correctness?).

**JUNE.** Giant door-stopper biographies, traditional highlight of the spring season, deluge book-shops. A few years ago, after Richard Ellman's *Oscar Wilde* sold 50,000 copies, these were the gem of British publishing: now subjects are running out and there is a sense of desperation about many of the titles: *Lives of wives* (*Frida Lawrence*, Bloomsbury, £20), of minor literary (*Cyril Connolly*, Macmillan, £20), of silly sexual shockers (*Annie Min*, Bloomsbury, £20), while the biographies of major figures often feel like a recycling of what we already know (for example, *Kennedy* by Stephen Coote; Hodder, £18; a big disappointment). The dazzling exceptions come in the autumn: Achroyd's *Blake* (Sindbad, £20), Jenkins' *Gladstone* (Macmillan, £20).

**MARCH.** A classic spring title for our green decade, Simon Schama's *Landscape and Memory* (HarperCollins, £20) shows how landscape is the work of the mind; forests, say, embody militarism in Germany, order in France, liberty under the greenwood in England. This book not only makes history more popular but more democratic: no longer the story of kings and queens we grew up with but of how everyday people lived.

**APRIL.** Bestseller test: Martin Amis' *The Information* (Fleming, £15.99) hits the headlines because of its record advance (£500,000 for this and a book of short stories) for a literary novel. Sales – said to be around 50,000 – exceed those for previous Amis novels, but the book fails to reach a new popular market. No surprise: it is self-satisfied tome whose success as a bestseller at all simply demonstrates the power of publisher's hype.

**MAY.** The 50th anniversary of VE Day – a chance for publishers to excel at Britain's premier cultural commodity: nostalgia. Most sweeping and dramatic of many memoirs is Martin Gilbert's *The Day the War Ended* (HarperCollins, £20). Most idiosyncratic is the 81-year-old Countess of Ranfurly's madcap war diary *To War with Whilaker* (Mandarin, £5.99), a surprise bestseller (85,000 paperbacks, 20,000 audiocassettes).

Most controversial are two biographies revolving round blame and forgiveness: Gitta Sereny's brilliant *Albert Speer: His Battle with Truth* (Macmillan, £25; too lenient? or a masterpiece on the nature of evil?) and Elizabeth Eitinger's *Hannah Arendt: Morality Heidegger* (Yale, £10.95), about the love-affair between the Jewish and Nazi thinkers (a betrayal of feminism? or psychological truth triumphing over political correctness?).

**JULY.** The 60th anniversary of Penguin Books and the paperback revolution which changed publishing, reading, the idea of a classic education. Penguin's bestselling classic, *Jane Eyre* (100,000 copies a year). Editions nobly kept in print? Henryson's *Testament of Cressid*, Celine's *Selected Poems* (500 copies a year each). A celebration of one of Britain's best cultural products.

**AUGUST.** Publishers' latest month. Few new books, while the top sellers have the smooth predictability of a favourite wine: Delia Smith's *Summer Collection* (BBC, £14.99), the new Anita Brookner, one published each summer for 15 years (*Incidents in the Rue Laugier*, Cape, £14.99). This month is also the 50th anniversary of the publication of one of the greatest English novels, George Orwell's *Animal Farm*, now reissued in a fabulous edition illustrated by Ralph Steadman (Secker, £14.99). An unexpected bestseller: an original print-run of 5,000, but sales of 40,000 by Christmas.

**SEPTEMBER.** The Net Book Agreement, which has kept book prices fixed for the past 40 years, collapses after so many publishers have withdrawn from it that the Publishers Association can no longer enforce it. Victory for the giant publishing conglomerates and the big chains: discounted books fill the shelves of WH Smiths and ASDA, which on some displays alternates stickered, discounted titles with identical, undiscounted copies, so that the unwary present an unstickered book at the checkout and pay full price. Long-term results will be a smaller choice of books and fewer places to buy them – in France, 20 per cent of bookshops closed within a year of a deregulated book trade. A classic of the bland, chocolate-box book which will now increasingly dominate publishing is Nicholas Evans' *The Horse Whisperer* (Bantam, £14.99). Hyped as bestseller of 1995 – it sold for £365,000 in Britain and nearly £2m in Hollywood – it goes straight into the bestseller charts but gets terrible reviews. A tale-of-our-times about a city career woman finding herself, and a late baby, among the horses and leathery lovers of Montana. It is a sort of 1986, adult version of the children's frontier story *Little House on the Prairie*. I



Something to crow about: George Orwell's *Animal Farm*, now reissued in a fabulous edition illustrated by Ralph Steadman (Secker, £14.99), has proved an unexpected bestseller. Published in August, it had an original print-run of 5,000, but has so far achieved sales of 40,000.

print-run of 5,000, but sales of 40,000 by Christmas.

**SEPTEMBER.** The Net Book Agreement, which has kept book prices fixed for the past 40 years, collapses after so many publishers have withdrawn from it that the Publishers Association can no longer enforce it. Victory for the giant publishing conglomerates and the big chains: discounted books fill the shelves of WH Smiths and ASDA, which on some displays alternates stickered, discounted titles with identical, undiscounted copies, so that the unwary present an unstickered book at the checkout and pay full price. Long-term results will be a smaller choice of books and fewer places to buy them – in France, 20 per cent of bookshops closed within a year of a deregulated book trade. A classic of the bland, chocolate-box book which will now increasingly dominate publishing is Nicholas Evans' *The Horse Whisperer* (Bantam, £14.99). Hyped as bestseller of 1995 – it sold for £365,000 in Britain and nearly £2m in Hollywood – it goes straight into the bestseller charts but gets terrible reviews. A tale-of-our-times about a city career woman finding herself, and a late baby, among the horses and leathery lovers of Montana. It is a sort of 1986, adult version of the children's frontier story *Little House on the Prairie*. I

the big chains: discounted books fill the shelves of WH Smiths and ASDA, which on some displays alternates stickered, discounted titles with identical, undiscounted copies, so that the unwary present an unstickered book at the checkout and pay full price. Long-term results will be a smaller choice of books and fewer places to buy them – in France, 20 per cent of bookshops closed within a year of a deregulated book trade. A classic of the bland, chocolate-box book which will now increasingly dominate publishing is Nicholas Evans' *The Horse Whisperer* (Bantam, £14.99). Hyped as bestseller of 1995 – it sold for £365,000 in Britain and nearly £2m in Hollywood – it goes straight into the bestseller charts but gets terrible reviews. A tale-of-our-times about a city career woman finding herself, and a late baby, among the horses and leathery lovers of Montana. It is a sort of 1986, adult version of the children's frontier story *Little House on the Prairie*. I

the big chains: discounted books fill the shelves of WH Smiths and ASDA, which on some displays alternates stickered, discounted titles with identical, undiscounted copies, so that the unwary present an unstickered book at the checkout and pay full price. Long-term results will be a smaller choice of books and fewer places to buy them – in France, 20 per cent of bookshops closed within a year of a deregulated book trade. A classic of the bland, chocolate-box book which will now increasingly dominate publishing is Nicholas Evans' *The Horse Whisperer* (Bantam, £14.99). Hyped as bestseller of 1995 – it sold for £365,000 in Britain and nearly £2m in Hollywood – it goes straight into the bestseller charts but gets terrible reviews. A tale-of-our-times about a city career woman finding herself, and a late baby, among the horses and leathery lovers of Montana. It is a sort of 1986, adult version of the children's frontier story *Little House on the Prairie*. I

the big chains: discounted books fill the shelves of WH Smiths and ASDA, which on some displays alternates stickered, discounted titles with identical, undiscounted copies, so that the unwary present an unstickered book at the checkout and pay full price. Long-term results will be a smaller choice of books and fewer places to buy them – in France, 20 per cent of bookshops closed within a year of a deregulated book trade. A classic of the bland, chocolate-box book which will now increasingly dominate publishing is Nicholas Evans' *The Horse Whisperer* (Bantam, £14.99). Hyped as bestseller of 1995 – it sold for £365,000 in Britain and nearly £2m in Hollywood – it goes straight into the bestseller charts but gets terrible reviews. A tale-of-our-times about a city career woman finding herself, and a late baby, among the horses and leathery lovers of Montana. It is a sort of 1986, adult version of the children's frontier story *Little House on the Prairie*. I

read it in 45 minutes, couldn't quote a line of it, but reluctantly savoured its sweet aftertaste.

**OCTOBER.** Month of prizes and fairs, fights and deals. At the Frankfurt Book Fair, money talks in all languages when publishers bid like city traders for the memoirs of Nick Leeson, held in a jail down the road: Little, Brown win at £450,000. Should criminals be allowed to make literary money from their exploits? If not, how to draw the line – what about, say, Sereny's honourable biography of Albert Speer, which will also make money out of atrocities? No other Frankfurt book comes close to the excitement inspired by Leeson, though there is a spicy interest in the memoirs of Lolita – a clever follow-up to bestseller sequels such as *Scarlett* and *Mrs de Winter*. Back home, a £32m book deal makes Jeffrey Archer the world's best-paid author.

The Booker Prize transforms Pat Barker's thoughtful novel *The Ghost Road* (Viking, £15) into a bestseller – a credible choice, though Penelope Fitzgerald's novel of romance and philosophy, *The Blue Flower* (Fleming, £14.99) is three times as original and enjoyable as any of the shortlist.

Poetry gets a brief glare of mass interest when Seamus Heaney wins the Nobel Prize for Literature and Kipling's "If" is voted most popular British poem on National Poetry Day.

**NOVEMBER.** Virago, the first feminist press, which popularised forgotten authors like Edith Wharton and Willa Cather, is sold to Little, Brown. Nostalgia for the half-eaten apple logo and dark green spines – and for the heyday of radical, independent imprints.

**DECEMBER.** A competitor for the bestselling *Pride and Prejudice* (Penguin, £2.99) emerges when Ang Lee's film *Sense and Sensibility* opens. *Sense and Sensibility*, the Screenplay and Diaries, by Emma Thompson (Bloomsbury, £16.99), an account of making the film, is a challenger to the successful *The Making of Pride and Prejudice* (BBC/Penguin, £9.99). But whereas the BBC team delightfully unravels its modern view of a heartthrob-and-dollars Austen, Thompson's is a study in egoism streaked with breathtaking lack of humility (Austen is thanked in the acknowledgements for developing Thompson's sense of humour). Nevertheless, the appearance of Jane Austen in the bestseller lists, and the success of these follow-on titles, pinpoints what made 1995 publishing thrive: money, sex, hype, and a move upmarket towards quality.

## The bottom line

I was never really a botchy man, though now, I think I am. I used to be a breast man – blame Alma Cogan – and then a leg and bone man. Even shoulders would do the trick, or a muscular or powdered back. Until that is, I read Jean-Luc Hennig's witty, cultured, lyrical, absorbing and transforming celebration there is no better word – of that physical object unique in the animal kingdom, the human bottom, the *derrière*, the rump, the rear, arse, ass, bum, seat or fundament.

One is not talking dirty. If one wanted to talk dirty one could make your hair curl by dipping in and out of – oh, sorry – some of the gaudier sections of *The Rear View: A Brief and Elegant History of Bottoms through the Ages* by Jean-Luc Hennig and his translators, Margaret Crossland and Elfreda Powell, for their beautiful, seductive book. Hennig is described by his publisher as a professor of grammar who was formerly director of the cultural section of *Libération*, editor-in-chief of *Le Monde des Savoirs* and then *Rolling Stone*. Apparently, his many published books include *Marque, le Voyageur*, a study of the Swiss national character, and a literary and erotic dictionary of fruits and vegetables.

The chapter headings of his botchy book convey quite strikingly the compressed richness within, including, as they do: *Afarenis*, *Bathing*, *Brothel*, *Curves*, *Rump*, *Butty*, *Dancing*, *Cleft*, *Spanking*, *The Three Graces*, *Greek*, *Gross*, *Ideal*, *Libertine*, *Male*, *Slap*, *Odalisque*, *Pin-up*, *Sodomites*, *Orifice* and *Bottom-Watcher*.

Here are seven pearls:

### DO YOU HAVE A BOOK TO PUBLISH?

If so, please write for full details, catalogue and reviews of our books to: The Book Guild Ltd., Editorial Office (F7/4) 25 High St., Luton, East Sussex, BN7 2LU.



Anatomy as destiny: detail from Canova's statue "The Three Graces", cited in this reflection on the cultural significance of the human buttocks

From the chapter called *Afarenis*: "Among the 193 existing species of primates only the human species possesses hemispherical buttocks which project permanently from the body, although some people have claimed that the Andean llama also possesses buttocks."

From *Curves*: "Buttocks are pleasing. There is something cheerful about their portliness... They are comforting, heartening... Having your fill, gazing your fill, having your hands full: it all leads to a pleasant feeling of euphoria. Which explains how, for a decade now, the shape of domestic objects has constantly been reminiscent of buttocks, linking smoothness to comforting roundness."

From *Rump*: "It is Géricault, one of the French painters most responsive to the art of Michelangelo, who has shown most appetite for buttocks. 'I like men with big buttocks', he used to say."

From *Cleft*: "The best things in the human body always come in twos."

From *Spanking*: "Brisk or

"ticklers", he called them. It was at the seaside, Fellini told José Luis de Villalonga, that the mystery of womanhood was unveiled to him. He was eight years old. There was an enormous, pale, dirty woman living alone in a hut she had built on the beach. In the evenings, she gave herself to any fisherman who had the courage to approach her. They

**THE REAR VIEW: A BRIEF AND ELEGANT HISTORY OF BOTTOMS THROUGH THE AGES** by Jean-Luc Hennig. Souvenir Press £15.99, 181 pages

paid her by allowing her to recover tiny sardines from the bottom of their boats.

In Rimini these little fish were called *sarghina*, so she was known as *La Sarghina*. For a couple of sardines she would slowly lift her huge moth-eaten skirt and, for a few seconds, expose her immense white backside, which became a fantasy for a generation of small boys. For twice the price, she would turn around, though sometimes she leapt up and down in frenzy, cursing.

She had a lion's head, slitty eyes and big rubbery lips. She smelt strongly of fish, seaweed, petrol and tar. She had the body of a leopard and a backside as big as the world. One day, *La Sarghina* began to sing for Fellini. A rumba. "She had a little girl's voice, a thin, very pure, very clear, very tender voice. And that day, Fellini discovered sin."

These days, thanks to advertising, bottoms are everywhere. They have been used to advertise "Yes", "No", Piralli tyres, Schweppes drinks, super-oil, Dixie Sweits, washing powder and thousands of other things. *The Rear View* is not a staid book, though it will take you into realms of reflection and conjecture that you may not have penetrated before, unless you are a connoisseur. It is a beautiful book – as beautiful as your bottom.

Michael Thompson-Noel

## Arguably the best literary magazine in the world

For in-depth, reasoned argument and literary criticism, the London Review of Books is hard to match. The Sunday Times calls it 'the boldest of the literary journals'. To Clive James it is 'the house magazine of the intellectual elite', while Alan Bennett considers it simply 'the liveliest, the most serious and also the most radical literary magazine we have'.

The London Review of Books is many things, but it is not an easy read. Simply because the issues facing the world today are not easy ones. Here are just a handful of the subjects and authors which have appeared in recent issues: Ross McKibbin (*What Labour must do*), Alan Bennett (*on Peter Cook*), Christopher Hitchens (*on Newt Gingrich*), Marina Warner (*on the Resurrection*), Terry Castle (*on Jane Austen and her sister*), Edmund White (*on gay fiction*), Jenny Diski (*on the sixties*), John Kerr (*How mad was Jung?*), Leslie Wilson (*on satanic child abuse*), Andrew O'Hagan (*on the missing*) and Edward Lutfwak (*in praise of the Russian mafia*).

The LRB is as much a political paper as a commentary on books and their authors. For people who love the written word, it is required reading. Take this opportunity now to introduce yourself to the LRB. Simply complete the coupon to enter a trial subscription. If you do so, you will save 15% and receive your first six issues absolutely free.

London Review of Books, 28 Little Russell Street, London WC1A 2HN, England

READ SIX ISSUES FREE AND SAVE 15%

Post to: London Review of Books, FREEPOST, WC2R1S, London WC1A 2BR, England. No stamp needed if posted in U.K. Please send me six free issues of the London Review of Books and enter my one-year subscription of 24 fortnightly issues at a saving of 15%. I enclose payment now, but I understand that if, after six issues, I wish to cancel my subscription, I can do so and receive a full refund. The six issues will be mine to keep at no cost.

Mr/Ms/Ms/Miss \_\_\_\_\_ Address \_\_\_\_\_

Signature \_\_\_\_\_ Date \_\_\_\_\_ Postcode \_\_\_\_\_

RATES: 1 year (24 + 6 issues) 15% off. UK: £43.85 (save £7.75); Europe: £53.50 (save £9.50); Middle East, Africa, India, Latin America: £60.35 (save £10.65); Australasia, Far East: £64.35 (save £11.40).

Tick one: ☐ I enclose a cheque for £\_\_\_\_\_ made payable to 'London Review of Books Ltd'.

☐ Please charge my Access/American Express/Diners Club/Visa card or call: (0171) 404 3338, Fax: (0171) 404 3339

No. \_\_\_\_\_ Expiry date \_\_\_\_\_ Signature \_\_\_\_\_

From time to time you may receive information about offers, services and products that may be of particular interest to you from other organisations. If you would prefer not to receive these, please tick the box.

FT1



## FASHION

# There's no need to stop at red

From scarlet to burgundy, there is a shade to brighten up the dark days of winter, says Avril Groom

**R**ed is one of the traditional colours of the Christmas season, but it can have an air of tackiness about it. To help you steer clear of some of the horrors, we have selected the best of red, from clothes and shoes to

bags and jewellery. If you are too late for Christmas shopping, these items will make cheering beacons in the dark days of January.

**Clothes**  
Avoid red blazers and tailored jackets (overtones of Butins,

Virgin air hostesses and female Labour MPs). Benetton's cosy pillar-box red jacket is much more fun and loosely cut, so knowing the exact size to buy is not crucial.

**Red evening dresses** are the stuff of *femmes fatales*; current period glamour maximises

sophistication and minimises sleaze. Try Nicole Farhi's strapless prom-ball style in rich scarlet duchesse satin (there is also a fitted jacket, £269), or a glamorous long bright-red crepe strapless column with satin bodice, £165 at Karen Millen, Kings Road, SW3. A sunset-glow, cap-sleeved, full-skirted style in shot taffeta, £120 from the Liberty Collection, is pure 1950s nostalgia.

Red cashmere is luxury personified. Be really generous and give a twinset (true scarlet with tiny pearly buttons, £298 at Jaeger, Regent Street, W1, or soft vermillion at Scotch House, Knightsbridge, SW1, £275) or be prescient with the garnet cut-in shoulder roll-neck from N. Peal - for parties now or for any time in spring.

For a touch of red at chain-store prices, B&S's short-

sleeved fine-rib body in nylon/Lycra, £18, is a pretty garnet shade. Marks and Spencer's bright red moleskin jeans are very jolly at £30.

#### Lingerie:

Shop counters after Christmas are deep in returned red lace frillies, but stores are helping men learn what women really want. Go for burgundy rather than bright red.

Lingerie should be plain and visible: like Malkia's longline rib Lycra/satin vermillion bra, or Gossard's built-for-comfort Ultrabra in pale crimson satin, £18.99, and briefs, £9.99, from House of Fraser or Fenwick. Pyjamas are often better received than sexy nighties, especially in smooth cotton united Royal Stewart tartan by Bonsoir, £69 from Harrods.

#### Shoes:

Avoid red patent stilettoes - great on supermodels but tarty in real life, except with the plainest, most exquisite black or charcoal shift dress. Softer finishes are easier, especially satin, from Ravel's tango evening shoes with a high, thick heel (£42.99) to Gina's scarlet kitten-heeled pump and Russell and Bromley's essential tomato-red ballet slipper, £25.

#### Bags:

These are the easiest way to flab a touch of red. Who would not love a little jewel of an evening bag such as Russell and Bromley's oval satin frame bag to match the ballet slippers, £155, or Nina Ricci's ruby grosgrain envelope bag with cord strap (£145 from Harvey Nichols)?

#### Jewellery:

Richer than rubies and much, much cheaper, this winter's deep red diamanté glints on

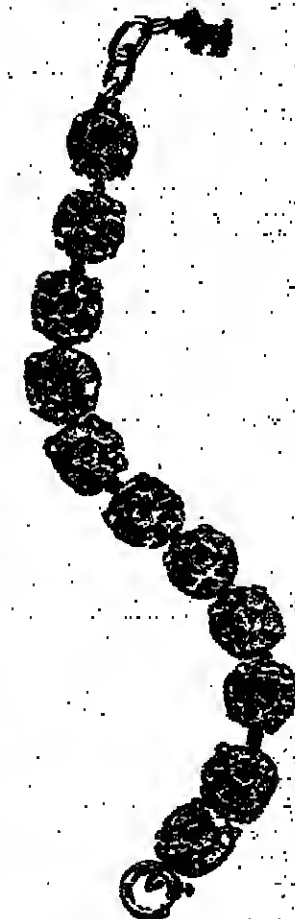


Time a-changin': ribbed steel and gold watch with red leather strap, £1,200; spare straps £20; from Boucheron, New Bond Street, W1

Painted velvet stole, £250 from Harvey Nichols. For sheer fun, Marks and Spencer's bright red leather boa takes the prize.

#### Make-up:

Embarrass someone with a Christmas kiss while wearing Paloma Picasso's Mon Rouge, £16.50, a true scarlet lipstick in a bright gold case. Chanel's lipstick No 22, Rouge Star, £13, is another classic red, deeper but no less vivid.



Added sparkle: large diamanté bracelet, £29 from Agatha, South Molton Street, London W1

delicate, discreet little pieces from Erickson Beamon to Agatha. Bolder but more authentic is antique paste jewellery from Sandra Cronan, Burlington Arcade, W1. A typical necklace with half-inch stones costs about £750, ear-rings £250. Instead of jewels, try a silk flower corsage such as Cbanel's classic camellia in burgundy satin. Plenty of watches have straps in red, but when that bores you, Boucheron's can be swapped for a myriad other colours in leather, snake or satin.

#### Scarves:

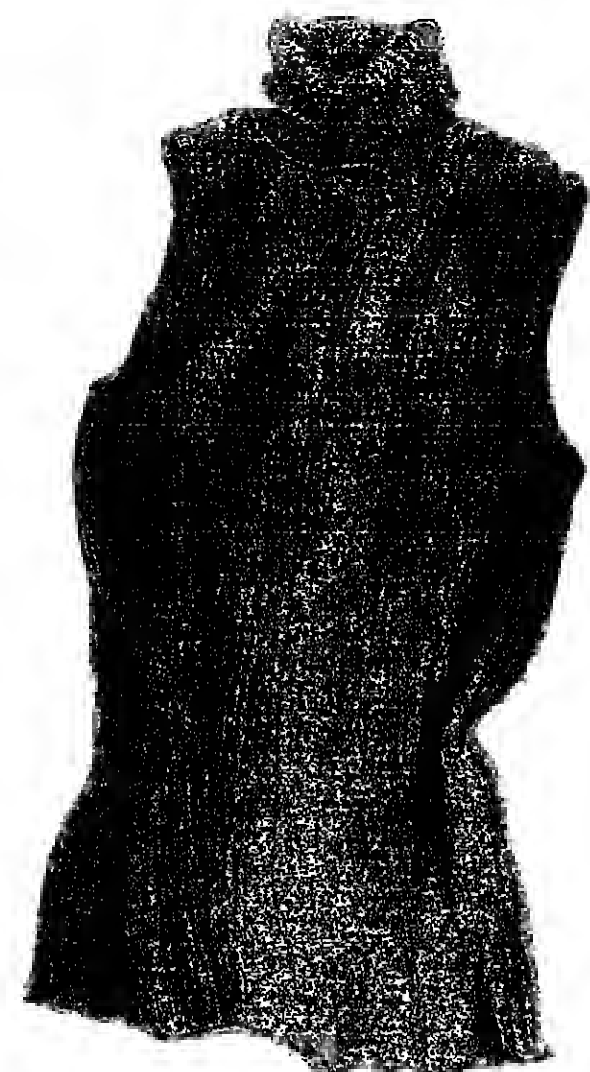
Another easy option. Most luxurious is a padded crimson velvet and satin stole by Amanda Wakeley which would make an evening coat redundant. Liberty's naive-print brick red pané stole, £225, has plenty of snuggle space, as does Carole Waller's stormy red band-



Having a ball: scarlet full-skirted strapless dress, £229 from Nicole Farhi, New Bond Street, W1. Satin shoes, £235 from Gina, Sloane Street, SW1

Blooming marvelous: large dark-red satin camellia corsage, £25 from Chanel, Old Bond Street, W1 and Sloane Street, SW1.

Drawings by Margie Keady



Winter warmer: soft sleeveless skinny-rib polo-neck sweater, in dark-ruby cashmere, £190 from N. Peal, Burlington Arcade, W1

## Golfer voted Britain's best dressed man

Until then, there's Glenfiddich to enjoy.



ALFRED DUNHILL

THE LONDINIUM.

Inspired by London, home of Alfred Dunhill. Stainless steel and precious yellow metal. Swiss made with quartz movement. Sapphire glass. Water-resistant. Discreet folding clasp. International guarantee.

Available at: ALFRED DUNHILL STORES, HARRODS, SELFRIDGES, HARVEY NICHOLS AND SELECTED BRANCHES OF WATCHES OF SWITZERLAND, THE GOLDSMITHS GROUP, MAPPIN & WEBB & LEADING JEWELLERS NATIONWIDE.

London office since 1898.

سكان من الصين

TIFFANY



## HOW TO SPEND IT

## Solutions for the disorganised

Lucia van der Post offers help for those whose present-buying is well-intentioned but unfulfilled

Any minute now there will be absolutely nothing more you can buy. The shops will have closed, the turkey bought (or not...), the presents chosen, the cards posted. But while some of you no doubt had it all wrapped up in October, many have nerves of steel and think the last-minute hunt is part of the fun. If you are not thinking of anything too recherche or too highly personalised, today is not too late.

This week's page concentrates on last-minute suggestions for the desperate, the disorganised or those who simply believe that December 23 is quite time enough to start their shopping.

If, after all, you can't face the shops, worry not - Global Presents Shopping Service will deliver presents for you. You simply telephone (0171-721 3000) (or on the Internet it's <http://www.shoplondon.co.uk>) and discuss your present needs. It offers a very good choice (a full-colour catalogue is available but not much use now) at usual high street prices but anything you order will be delivered by tomorrow if in London. Choose from cashmere scarves (£55), silver vermeil and hematite circle earrings (£45), pens from £65, hampers and fine whiskies, luggage, gadgets (I particularly like the Noisebuster headphones for those who want to doze in peace, £103), a small selection of British Museum replicas, as well as some lovely toys (boys big and small might love the miniature radio-controlled Nikko Columbia Plane for £99.20). Gift wrapping and a message are included for an extra £2 and the cost of delivery will be quoted at the time of ordering.

Some of the very best presents, of course, come wrapped in nothing but a slim envelope theatre tokens, for instance, to the value of £1, £5, £10 and £20 can be bought from many branches of W.H. Smith and



James Thin Booksellers in Scotland, from Ticketmaster (tel: 0171-944 4444); they can be used at 160 theatres and concert halls, including all of London's West End theatres.

If your potential recipient is looking stressed, out of condition or merely frazzled, a self-indulgent day at a beauty

salon or health spa is a splendid treat - or, indeed, just a massage or a face treatment. Almost all spas offer vouchers - Londoners could try The Sanctuary, 12 Floral Street, London WC2E 9DH (Tel: 0171-240 9635) which offers a range of day vouchers from £105 to £185, depending on the

treatments included. Or The Peak at the Hyatt Carlton Tower, on Cadogan Place, London SW1X 9PY (tel: 0171-235 1234) offers a "Day of Pampering" for £75 which covers eight hours of indulgence, a session with a health counsellor, a recommended exercise regime and the chance to take part in any

of the day classes. Lunch and champagne is included.

Membership of the Royal Academy (tel: 0171-494 5563), the Tate Gallery (tel: 0171-887 8753), the V&A (tel: 0171-589 4040) and the National Trust (tel: 0181-464 1111) can be organised by telephone - a card announcing the details

and forthcoming delights should do the trick.

On the home front both Habitat (40 stores in the UK and Ireland are open today and tomorrow) and Ikea (six at Brent Park, Croydon, Birmingham, Gateshead, Leeds and Warrington, open today but closed tomorrow) are a terrific

source of well-priced stylish presents. From Ikea you could pick up two charming Gemen red wine glasses for just £4, a wooden toy aircraft with three passengers for £3, a metal lantern for £5, gingham cushions for £3.90 each or a beautiful white wool travel or car blanket for just £15.

At Habitat, there are beautiful frosted vases at £20, picture frames from £5, a great array of tableware and kitchenware and some particularly attractive bedlinens; or if all else fails, there is a delicious collection of specialist foods - such as a selection of dried foods in a terracotta dish (£9), fine oils, vinegars, and spiced kumquats.

Muti shops (at 157 Kensington High Street, London W8; 25 Great Marlborough Street, London W1; 39-41 Shelton Street, London WC2; and 63-67 Queen Street, Glasgow) are a great source of presents for those with a minimalist turn of mind - the simple shirts in gingham, chambray or plain white from £22.50 are a great hit with young men, as are the muted grey Californian cotton T-shirts at £9.50, while all the carry-alls, rucksacks and bags are sturdy and well priced.

Look out, too, for streamlined storage and household utensils - the white frosted tumblers and glass bowls are particularly attractive. All the shops are open on Saturday (the Kensington branch until 7pm, the others until 6pm but only Kensington is open on Sunday from 10am to 2pm.)

For the gadget and gizmo-minded The Leading Edge is a good place to look - there are branches in Whiteleys Shopping Centre in Queensway, London W2; in Selfridges, Oxford Street; in Unit 17 at Liverpool Street Station; and at 49 King Edward Court, Windsor, Berkshire. Here everything from the daft (the Light Doodler at £49.99 and the Gumball Machine which dispenses gumballs, peanuts or jelly beans for £1.99) to the seriously useful (the Niteowl booklight, £19.99) perfect for insomniacs who do not sleep alone, and the deeply unnecessary cheese machine ("a simple way to store your cheese, no more wrapping and re-wrapping", £14.99).

And if all else fails, nobody yet said no to a glorious bunch of flowers, to a bottle of fine wine or a really good book.

## On the scent of the unusual

Lucia van der Post offers her selection of truly exclusive fragrances

Of all the last-minute presents one of the most obvious - but also one of the best - is scent or fragrance, as the trade will persist in telling it in defiance of Nancy Mitford's edicts.

It has been a bumper year. Some old classics such as Lanvin's Arpège and my own favourite, Guerlain's Shalimar (its wonderful Oriental essence untampered with, thank heavens) have been given new leases of life by being repackaged in their original bottles (in Shalimar's case a beautiful Baccarat bottle designed for the 1925 Decorative Arts exhibition).

As always there were plenty of new ones to choose from. Estée Lauder launched Pleasures, Cartier launched So Pretty (and very pretty it is, too) and Jean Paul Gaultier his *Le Mâle* (worth buying for its bottle - a male torso - alone).

But this year's most extraordinary success story has been Calvin Klein's *ck One* - it took \$63m dollars in the first three months after its launch in the US and estimates for its first year's sales in Europe run to \$50m - and all because it has somehow led people to believe that it has a special claim to being a new wave perfume, a 1990s phenomenon, a radical innovation, the first of "unisex" fragrance in the world. I cannot be the only one whose first experience of dabbling on something fragrant was using their father's after-shave (Schlaperelli as it happens).

If, however, buying into the most popular scents in the world is not really your style, if you prefer something a little more recherche that you will not run into everywhere and that few will recognise, then you might like to know that there are a few scents that really are exclusive, that are available only in a very few

outlets and that are known primarily to their devotees.

A couple of years ago I discovered (and wrote about) Chanel's secret classic - *Cuir de Russie* (oriental and spicy), *Bois des Isles* (rich and woody), *Gardenia* (sweet floral) and *No.22* (exotic floral), all of them first created in the 1920s in Coco's heyday and much more sophisticated than the famous trio of Chanel No.5, Coco and Cristalle.

These are only available from Chanel boutiques in London (26 Old Bond Street and 51 Sloane Street) and Paris.

Guerlain, too, has its little-known treasures - *Lin* (named after the slave girl in Turandot) and *Mouchoir de Monsieur* (a very raffiné present to give a man who does not want to reek of any of the world's best-selling after-shaves) are made only in the smallest quantities and are among the most exclusive perfumes in the world, both only

being available from Harrods of Knightsbridge.

*Vol de Nuit* (named after Antoine de Saint-Exupéry's famous novel and packaged in a wonderful odorousque art-deco bottle) and *Agnes L'Ornée* are two other little-known Guerlain perfumes. Harrods, Harvey Nichols, Fortnum & Mason in London sell them, as do Kendal's of Manchester, Rackham's of Birmingham, Jenner's of Edinburgh and Fraser's of Glasgow.

Keep them guessing, too, with Tabac Blonde, Narcisse Noir and Bellodgia all by Caron (all of which are decanted into a bottle of your choice - £39 for 75ml of perfume, while 100ml would be £129). Then there is Givenchy's *De* and *Heure Attendue* from Patou both of which are little-known, beautiful in their own right and would make the recipient feel very special. These are available only from Harrods.

HOUSE OF FRASER SALE.  
A CUT ABOVE THE REST.

Starts Wednesday 8.30am.  
(Tuesday 9.00am in Scotland.)

With generous reductions in every department including ladies' fashions, fashion accessories, menswear, homewares, furniture and electricals.

**HOUSE OF FRASER**

ARMY & NAVY · DAVID EVANS · DICKINS & JONES · BINNS · BARKERS · DH EVANS · HOWE'S · JOLLYS · ARNOTTS  
CAVENDISH HOUSE · HOUSE OF FRASER · FRASERS · DINGLES · KENDALS · RACKHAM'S · SCHOFIELDS · HAMMONDS  
Certain ranges not available at all stores.

## LIGHTWEIGHT SUIT SALE

We are delighted to announce our annual Winter Sale. Discounts up to 50% on selected ranges of men's ready-to-wear lightweight suits, dinner-jackets, jackets, slacks, safari suits, shirts, hosiery and underwear. All standard sizes available at Tropicadilly. Suits up to 51", shirts up to 20" and hosiery and accessories in commensurate sizes at Greater London Lightweight.

STARTS DECEMBER 28th  
Open Mon - Fri 9 - 5.30pm. Sat 9 - 1. Sale ends mid Jan.

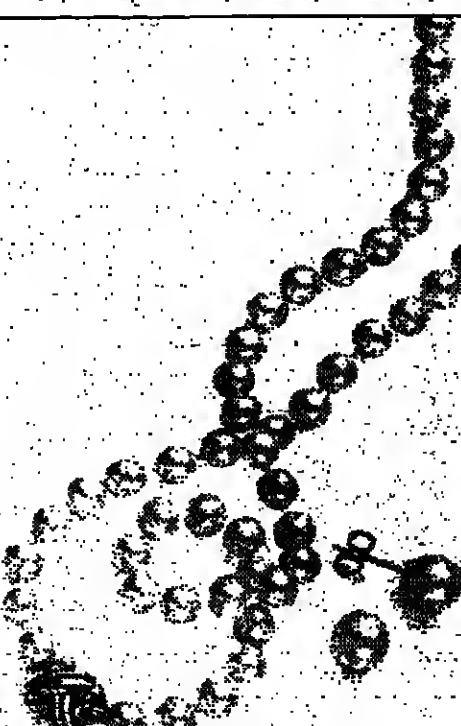
**AIREY & WHEELER**  
Luggage & Cases

Tropicadilly, 44 Piccadilly, LONDON W1V 9AL Tel: 0171 734 9618  
Greater London Lightweight, 6 Grafton St, LONDON W1X 1DD Tel: 0171 734 8228

To Advertise Your Legal Notices

Please contact  
Tina McGorman on  
Tel: +44 (0)171 573 4242  
Fax: +44 (0)171 573 3954

Christmas Opening Hours  
Monday to Friday 9.30am to 6pm, Saturday 9.30am to 5.30pm.



Start with a Strand of Tiffany Pearls

This is the foundation of a woman's jewellery wardrobe. Necklaces with Tiffany Signature clasp in eighteen carat gold from £2,275. Earrings from £405.

**TIFFANY & Co.**

SINCE 1837

25 OLD BOND STREET, LONDON W1. 0171-409-2790

## The Simpson Winter Sale

STARTS  
WEDNESDAY 27th DECEMBER

UP TO 50% OFF  
SELECTED MENS  
& WOMENSWEAR

OPENING HOURS  
WEDNESDAY 27th DECEMBER 9.30am - 6pm  
THURSDAY 28th DECEMBER 9.30am - 6pm  
FRIDAY 29th DECEMBER 9.30am - 6pm  
SATURDAY 30th DECEMBER 9.30am - 6pm  
SUNDAY 31st DECEMBER 10am - 6pm

**Simpson**  
JEWELLERS

25, Piccadilly, London W1X 1BS

Commencing 27th December 1995

**SALE**  
GEORGES RECH  
**SALE**

BOUTIQUE GEORGES RECH  
181/182 SLOANE STREET, LONDON SW1W 9PQ







## SPORT

Sailing/Keith Wheatley

# Murdoch hopes to rule the waves

Australia-US rivalry is likely to surface in the Sydney-Hobart race

Sydney is a sailor's heaven this weekend. Blue water, blue skies and a buzz of big-time activity. The crash-and-burn drama of the 18th skiffs is winding down as their world championship series ends. But along the waterfront the big boats are in preparation for the Boxing Day start of the 630-mile Sydney-Hobart biennial classic.

Australian and US rivalry, always intense but seldom given expression in a sporting context, is focused on the battle between two maxi-yachts, Brindabella and Sayonara. One or other is almost certain to be first into Hobart and they are likely to slug it out within sight of one another.

Sayonara is the world's first maxi built to the ILC measurement rule, and has a hull largely constructed of carbon fibre. Of even more interest is that Rupert Murdoch, the media tycoon, will be among the 20-or-so crew aboard.

Murdoch has a personal friendship with Sayonara's owner Larry Ellison, chief executive of the US software company Oracle, and appears to have a growing interest in boats. Last summer he took his own 50-metre cruising yacht to San Diego in order to watch the America's Cup series.

Brindabella is Australia's champion maxi and recently suffered a dismasting while racing in a Tasman Sea regatta. A new, taller, mast was flown in from the US last

week and the owner, George Snow, a Sydney property developer, believes it may have given him an edge.

"According to the Velocity Prediction Programme software we are gaining a boat-speed increase which should make us 2½ hours quicker into Hobart," said Brindabella's designer Scott Jutson.

The interesting thing about these numbers is that such a gain last year would have had Brindabella smash the 20-year old record for the classic race.

Kialoa, this legendary US maxi-yacht, set a time of 2 days 14hrs 36mins, during a storm-battered 1975-76 race. The sponsor, Telstra MobileNet, a cellular phone company, is putting up a \$250,000 cash prize for any yacht that beats Kialoa's time.

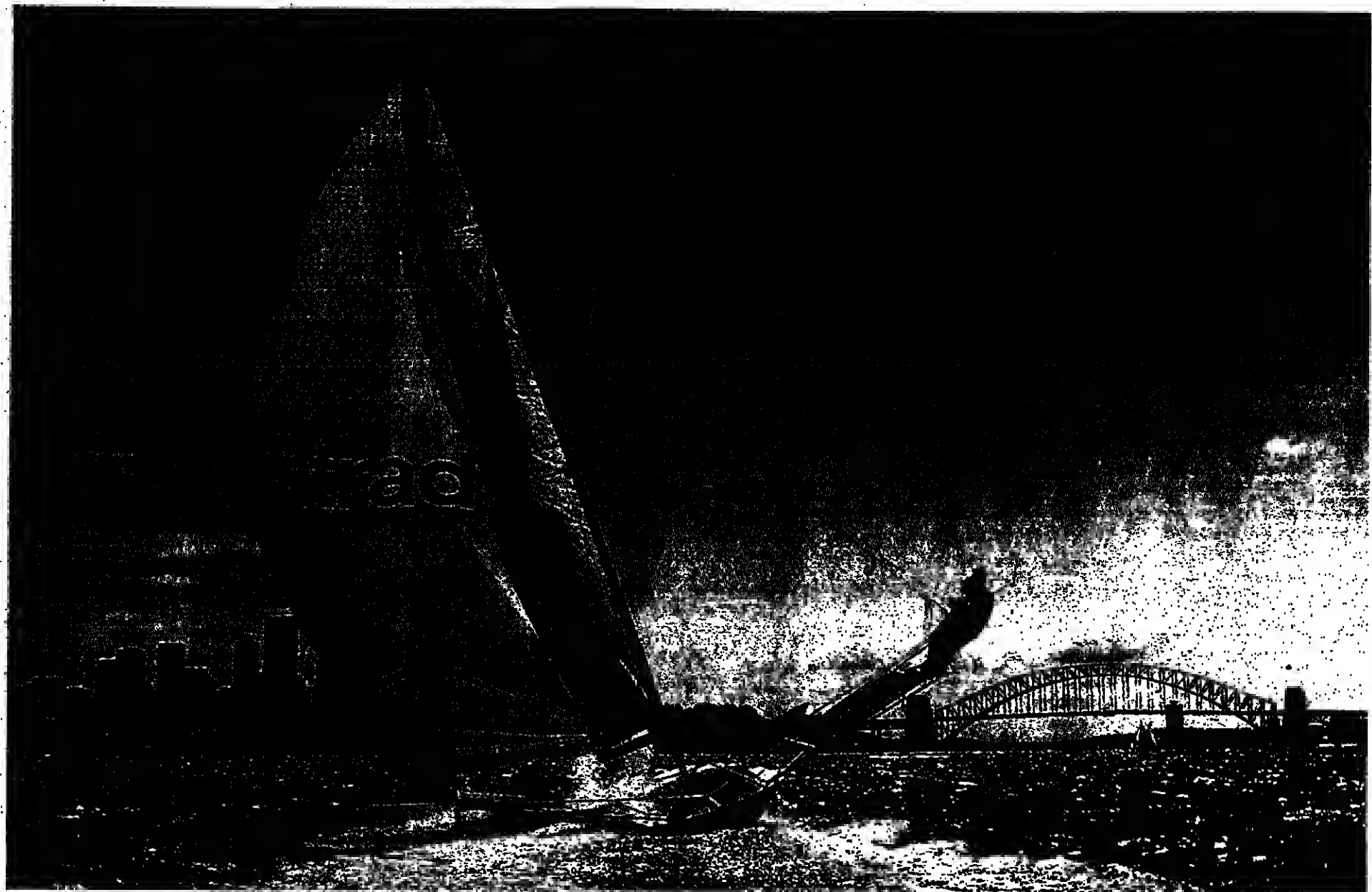
Jutson is optimistic that either his boat or Sayonara will scoop the pool.

"For the first time in the Sydney-Hobart we have two yachts designed to the race maximum, competing boat-for-boat and that certainly makes the record attainable," said Jutson.

News Corporation has taken a 51 per cent stake in Grand Prix Sailing, the company that organises the circuit of skiff regattas culminating in this week's grand final.

Skiffs make exciting television, especially for a younger audience, and the parent company of Sky, Star and Fox plans to put these speed machines on screens outside Australia.

Next year the circus is com-



Skiffs make exciting television - as Rupert Murdoch hopes to demonstrate

ing to Europe, with four 18ft skiff regattas at venues along Britain's south coast. Negotiations with some of the country's top sailors are under way to form two "works teams" under the umbrella of Grand Prix Sailing.

Pioneers such as Jan Southworth have already been learning how to "fly". Big grins are the order of the day for crews, perched out on the end of the hiking racks and blasting across the harbour at close to 20 knots.

When the breeze drops, it is a scramble to get the weight back into the centre of the hull

before the Big Dip. "Losing generally comes down to making too many mistakes in manoeuvres and swimming a lot," said Southworth.

"The boats are close to one-design so there are not many differences in speed. They are also very well built, so gear failure is minimal."

What does take longer to learn is the timing for tacks and gybes. With very little hull weight to provide momentum, the skiffs go from flat-out to stalled in just seconds. Once the rack hits the water, the capsize comes quickly.

Even more spectacular is the occasional "catapult". A big puff of wind can lay the boat flat suddenly, with the three crew-members launched over the mainsail, the trapeze wires acting like slingshots.

Spectator interest is built into the racing. In Sydney the buoy on the windward mark is generally positioned just yards from the breakwater, providing a natural grandstand for a fascinated crowd. Television coverage is improving, too.

Bill McCartney, a lifelong "skiffy" and founder of Grand Prix sailing 10 years ago, has an additional mission beyond

bringing these boats to a wider audience. His goal is to see them compete in the Sydney Olympics five years from now. In pursuit of that, McCartney flew to Hamburg last month to lobby the International Yacht Racing union at its annual general meeting. To persuade that conservative body to change one of the six classes of boats

sailed at the Games is normally the work of a lifetime. In this instance it could be easier and quicker. President Samaranch of the International Olympic Committee has warned sailing's hierarchy that

it needs a more exciting, accessible format to stay part of the Olympic family.

"There is 10 months of discussion before the IYRU chooses which trapeze dinghy to use at Sydney. I am optimistic we can persuade them to use a boat which has already become familiar to a worldwide television audience," said McCartney.

With big bucks behind it and the enthusiasm of the sailors, it can only be a matter of time before an Australia versus Europe competition emerges. Possibly the trophy will be the "Ashes" of a burned skiff.

## A sportsman from the future

Hardly a week passes without some media mogul signing a fat cheque for the broadcasting rights to some big sports event. \$X squillion for the Olympic Games. \$Y squillion for Euro-fooie. Newspapers report these stories with faint astonishment, as though readers were not fed up with hearing that Rupert Murdoch or one of his rivals had swooped again.

The sale of sports broadcasting rights is sort of interesting, because it is TV exposure that sucks billions of marketing dollars into sport, particularly from sponsors. Yet TV rights and marketing are not the whole bagel, and are certainly less interesting than some of the things happening at the frontiers of sport.

I guess you have not heard of Hammedi Al Bourhan, an immensely promising sprinter who has signed a contract with a corporation called Toussaint Mantene, which is training him for the Olympics. Toussaint Mantene owns numerous athletes, and is preparing them in secret. One day, it hopes, they will win a lot of money at inter-corporate track meets.

When Hammedi first joined Toussaint Mantene he underwent radical replacement surgery which fitted him with ceramoplastic joints and added 30 centimetres to his height. Hammedi is coached by a computer, which whispers to him via a speaker implanted in his mastoid bone.

The computer regulates Hammedi's calorie, mineral, nutrient, trace and vitamin intake; programmes his sleep; monitors his body-functions and vital signs; compares his movements and responses with a holographic ideal synthesised by studying the feats of former champions; checks his real-time performance against his optimised model 1,000 times a second; and adjusts the levels of alpha dopamines and R-endorphin groups in his system so that he is never too happy or too sad, too much in pain or - when running - not in sufficient pain. On race days, Hammedi surges from the blocks with a burst of controlled epileptic spasms.

One thing that worries the computer is that Hammedi lacks confidence with women. His sex drive is weak. Only joking? No I'm not. For now, Ham-

medi exists only in a science-fiction story called *Winning*, by Ian McDonald. But he is racing towards us swiftly - arriving from the future.

Do not, incidentally, worry about the drugs. Although sports authorities today wage indignant about drug-taking, researchers are experimenting with synthetic copies of naturally occurring chemicals which will be welcomed wholeheartedly because they will no longer cause harm.

The impetus driving this research is the money that is piling into big-time sport, and the impetus behind that is the new-media revolution. With thousands of extra communications channels on the horizon, the moguls are frantic to buy "content", and almost nothing has such a universal and lucrative appeal as sport.

Now that rugby union, a devious form of football played by big-heads, has tossed away its 6½-leaf of shamateurism, there is no significant sport that is not fully professionalised. Indeed, the sports footwear and apparel manufacturers would like to invent a new world sport, to boost sales.

In parallel with all this, games-playing in cyberspace is also a coming business - entire networks, or virtual communities, of online, interactive video games-players. The US bridge team already trains for tournaments in cyberspace.

Soon, millions of us will slip away there, seldom to return. By about 2020, more human energy will be spent playing and watching games, online and off-line, than on almost anything else. Or so I shouldn't wonder.

Any day now, the puritans will realise what is happening and claim that sports and games-playing signify malaise and alienation, and like pornography, recreational drugs and non-procreational sex, should be suppressed.

But the puritans can get stuffed. If we believe, with Joseph Conrad, that humanity's reign is but a brutal interlude between the former aeon of darkness and the darkness that is to come, we can imagine that sports, games and circuses will soon enjoy the political prominence. Calligula accorded them. Just hope we get some bread.

Michael Thompson-Noel

## CHESS

Anatoly Karpov has been writing about super-minutaires by the world champions - games of a dozen moves or less.

Curiously, there is only one by a reigning champion, a well-known trap by Alekhine v Bruce, Plymouth 1938: 1 e4 c6 2 Nc3 d5 3 Nf3 dxe4 4 Ne4 Bf5 5 Ng5 Bg7 6 h4 h5 7 Ne5 Bx7 8 Qd5 g6 9 Bc4 e6 10 Qe2 Nd7 11 Nx7! Resigns.

The unfortunate Devon champion, Ron Bruce, lost the same day to the world woman champion, Vera Menchik, so became a double record victim. Two games stand out in the Karpov collection. At Moscow 1985, Botvinnik trapped Spielmann's queen which had captured the poisoned b7 pawn; but even better is this elegant win from Bournemouth 1939, the last tournament before the second world war.

Max Euwe, White; Gerald Abraham, Black; Polish Defence.

1 d4 b5 2 e4 Bb7 3 f3 a6. Abraham, a witty lawyer and writer, liked rare openings and risky formations. 4 c4! A surprise, swapping a central for a flank pawn; but Euwe wants to expose the b7 bishop.

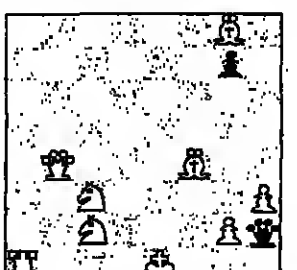
Black 5 Rxc4 e6 6 Nc3 d5 7 Qd4 Nc6 8 exd5. Avoiding the

trap 6 Qxb7? Na5 9 Bb5+ Ke7! Nxd4 9 Qxb7 Rb8 10 Qxa8 Ra8 11 Bb6+ Ke7. Black expects 12 Qb7 Nc4 with modest complications. 12 d6+! Resigns. If cxd5 13 Bg5+ Nf6 14 Qb7+ wins, or Qxd5 13 Qxa8, or Kf6 13 dxc7!

Chess No.1106 For Christmas, try your detective skills on this puzzle by W Keym where the black king is missing.

Where must the king be placed for it to be checkmate in one move?

This offbeat problem, which



is harder than it looks, is a good test of chess logic and has caught out several strong players.

Solution, Page 11 Leonard Barden

## BRIDGE

Behind a great batsman's cover drive, speeding inexorably to the boundary, is timing. In bridge, too, many contracts cannot be brought home unless the declarer employs the most precise timing.

Here is a hand from rubber bridge which demonstrates what I mean:

♠ N  
♥ J 6  
♦ Q 8 2  
♣ K 7 5 2  
♠ J 10 9 4  
♥ K 10 8 5 2  
♦ A 9 7 4  
♣ K 9 7  
♠ Q 10 4  
♥ A 8 6  
♦ A 5 3  
♠ A Q 3  
♥ A J  
♦ A 6 3  
♣ K Q 7 2

South opened two no-trumps, vulnerable with a bare minimum containing sparse undergrowth. North in raising to game made up this deficiency. West led the spade five. Declarer played the knave in hope and was grateful when it held the trick.

Three tricks were needed from the club suit, so the knave was led. East seized his

chance and played the ace. He switched back to spades, declarer finessed the queen and the contract slid to almost inevitable defeat.

Double-dummy it could be made by cashing five minor suit winners, and end-playing West for a heart return. Once the spade knave holds trick one, the contract cannot be defeated. The establishment of winners must, however, be timed correctly. All that is necessary is for the declarer to finesse the heart knave.

This is the Indifferent Finesse - declarer does not mind if it wins or loses. If it wins, he abandons hearts and knocks out the ace of clubs. If it loses, no lead from West is embarrassing and declarer still forces out the ace of clubs.

Derek Rimington's *Type-Acrot Bidding Guide* provides a summary. It covers opening bids, responses, re-bids and defensive bidding.

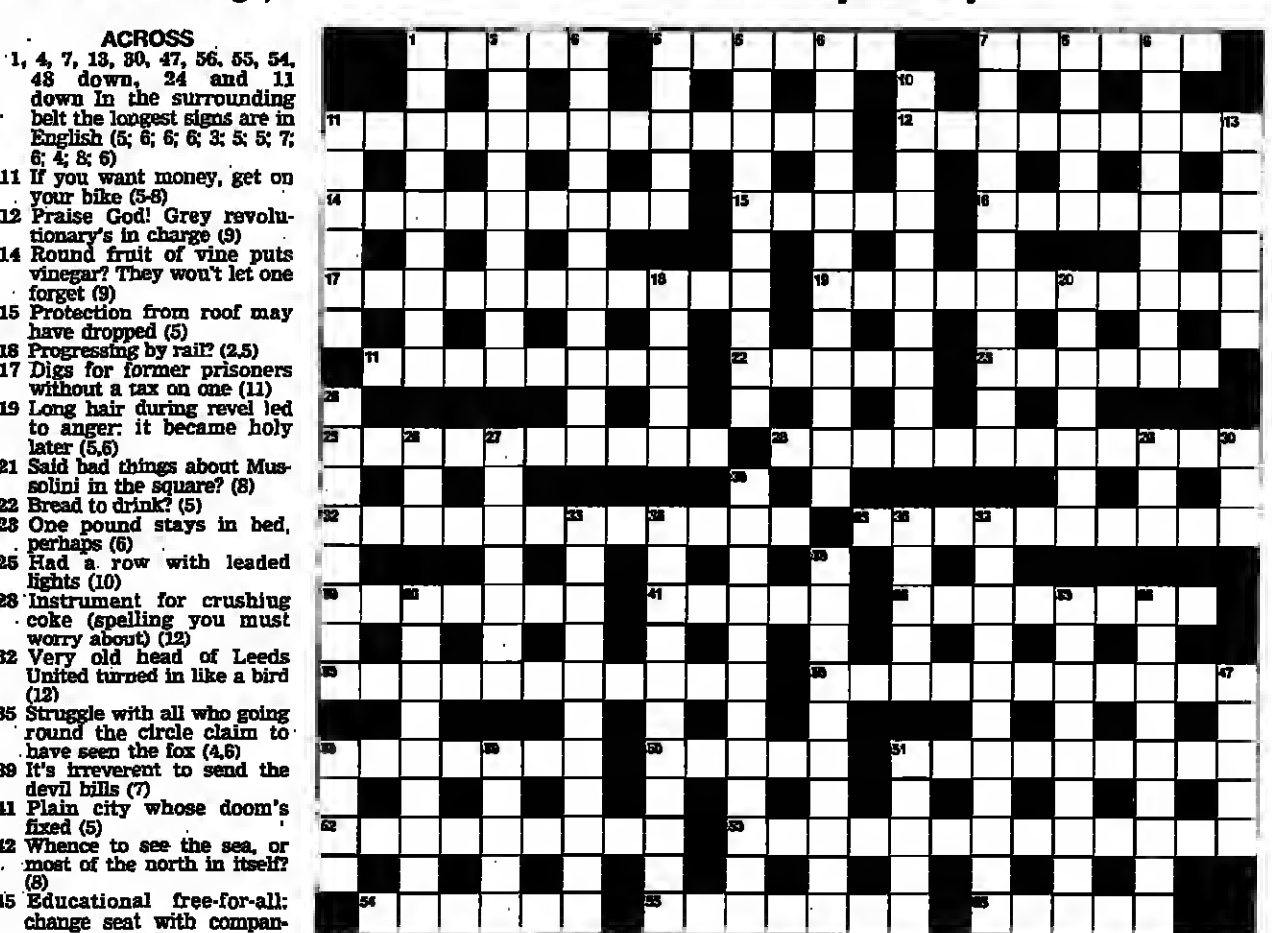
It includes a rubber bridge scoring table, and costs £2 plus postage from A.L. Fleming, 12 Salisbury Road, Bromley, BR2 9PY (tel: 0181-313 0350; fax: 0181-313 0076).

E.P.C. Cotter

## CHRISTMAS CROSSWORD

Set by Cinephile

A prize of a classic Pelikan Souverän 800 fountain pen will be awarded for the first correct solution opened from those received by Wednesday January 3 1996. Five runner-up prizes of £35 Pelikan vouchers will also be awarded. Solutions should be marked Christmas Crossword on the envelope and sent to the Financial Times, 1 Southwark Bridge, London SE1 9HL. Solution on Saturday January 6.



- ACROSS
- 1, 4, 7, 13, 30, 47, 56, 55, 54, 48 down, 24 and 11 down in the surrounding belt the longest signs are in English (8; 6; 5; 3; 5; 5; 7; 6; 4; 8; 6)
  - 11 If you want money, get on your bike (5-8)
  - 12 Praise God! Grey revolutionary's in charge (9)
  - 14 Round fruit of vine puts vinegar? They won't let one forget (9)
  - 15 Protection from roof may have dropped (5)
  - 16 Progressing by rail? (2,5)
  - 17 Digs for former prisoners without a tax on one (11)
  - 19 Long hair during revel led to anger; it became holy later (9)
  - 21 Said bad things about Mussolini in the square? (8)
  - 22 Bread to drink? (5)
  - 23 One pound stays in bed, (8)
  - 25 Had a row with leaved lights (10)
  - 28 Instrument for crushing coke (spelling you must worry about) (12)
  - 32 Very old head of Leeds United turned in like a bird (12)
  - 35 Struggle with all who going round the circle claim to have seen the fox (4,6)
  - 39 It's brevity to send the devil bills (7)
  - 41 Plain city whose dome's fixed (5)
  - 42 Whence to see the sea, or most of the north in itself? (8)
  - 45 Educational free-for-all: change seat with companion in seat (5,6)
  - 46 Monarch with a whip evoking some reaction with a gun (11)
  - 48 Little time to enter bird: short answer, become a sailor (2,2,3)
  - 50 Fibre for abbreviated capital (8)
  - 61 Break up when about to have an early evening drink (9)
  - 62 Dogfight at tribal tea, maybe: one was of Britain (3,6)
  - 53 Boxer, unstable, to spoil Mussolini's count (5,8)
  - 54 55, 56 See 1 across

- DOWN
- 1 Broadcaster has part of speech swallowed by wild crane (9)
  - 2 Much of the best US education on VE day has a climber's look (3-6)
  - 3 I nearly call upon a collective relating to collected figures (11)
  - 4 Bird (American) discovered by Oates (5)
  - 5 Life, they say, is a matter of degrees (10)
  - 6 Aving ad too much the night before, Mediterranean islander maybe gets up out of control (12)
  - 7 Fellow with a nubile disposition in the shade (7,4)
  - 8 The uncertainty of power? (5)
  - 9 Story of an ingenious nature about a r-rat (9)
  - 10 An affected attitude of mother to the twitch is off-putting (10)
  - 11 and 13 See 1 across
  - 18 Could be oiled, being rusty? (5)
  - 20 Stunned notes showing from what channel is made (17)
  - 24 See 1 across
  - 26 Back a newspaper (3)
  - 27 Rudorff design for comic relief (3,4)
  - 29 Unhealthy future for crossword setter? (3)
  - 30 See 1 across
  - 31 Piece of music for worker going to sell off old ship (6,7,5)
  - 33 Sainted fellow comes in afterwards as a book end (4,7)
  - 34 Lady sent crazy in sticky situation (11)
  - 36 Drive politician to lie shamefully outside (6)
  - 37 Painting the desert in a structure as plain as can be? (5,3,3)
  - 38 Cover for man with pipe showing toy gun's just been fired? (7,3)
  - 40 Building repels art? He should work on it (9)
  - 43 Transport for bacon, bams possibly (6,3)
  - 44 Left a country in Africa as going up to near-by water (4,5)
  - 47 and 48 See 1 across
  - 49 Collide with a tree after second minute? (6)
  - 51 Assertion or decision - is dumb, perhaps (3-3)

Winners 8,540 G. Ridley, Brighton, Sussex; H. Bagoo, Horley, Surrey; N. Eldred, St Albans, Herts; Mr & Mrs T. Garrett, Chilton, Didcot; C. Morcher, Warrington, Surrey; H.C. Thomas, Coventry



# A world yearns for the Nativity to be true

Hugh Dickinson, Dean of Salisbury, argues that the birth in Bethlehem might be no more true than King Lear – but that it is still true enough

Gabriel was distinctly wobbly. The bar stool borrowed from the Rose and Crown was creaking from 20 years of heavy drinkers. But it lifted her (are not angels unisex?) above the scrum of smaller angels with fly-on roles. Her halo trembled deliciously on its wire stalk improvised from a coat hanger. Was she scared? Cold?

"Just suffering from vertigo," was my companion's verdict.

"Occupational hazard I expect. Always keeping up with the Most High."

"Shut up!" hissed his wife. One small angel had her knees anxiously crossed. Another was making surreptitious waves to her parents in the second row.

The final tableau assembled itself. Mary grasped her plastic Baby as if she meant to throttle it. (She had dropped him at the dress rehearsal – "Whoops, back to the cosmic drawing board!" commented my irrepressible friend.) The shepherds and the lions – now docile enough to lie down with any lamb – the embarrassed innkeeper and his freckled wife, the Two Wise Men and One Wise Woman, all jostled for camera space on the crowded stage.

And then it happened. Somewhere behind the backcloth a baby began to cry. Not the raucous bellow of a hungry or angry three-month-old child, but that heart-stopping, slightly hoarse crying of one just born. From where we sat it seemed to come straight from the bundle in Mary's arms. Even the placid Joanna looked down with wide and startled blue eyes at the doll she was holding. For one instant the whole place froze.

"Jesus Christ!" exclaimed my rationalist chum in an awed whisper.

Joseph – of course – just grinned. He knew it was little Camilla born on Advent Sunday. Her mother (also unmarried) was helping with the angels behind the scenes. But for the rest of us, for just five seconds, make-believe became Reality. Then the cameras started to click and flash and common sense prevailed.

As we strolled home my friend said crossly: "I bet you arranged that – got her to pinch her baby's nose or stick a nappy pin in it."

I said I wished I had thought of it. And then, provoked perhaps, I asked him what had made him so angry. He thought for a moment. "Confusing fact with fiction."

Where is Reality? Theatre creates a sacred space in which Oberon and Titania can cast spells on a watching audience. Cordelia and Lear wrench at our hearts although they are pure fiction. Ancient historians tell us that women cried out and fainted or went into premature labour as they watched the great Greek Tragedies in the theatres of Athens or Corinth in the 4th and 5th centuries BC.

The borderline between everyday reality and dramatic story blurs when the story is in fact about the living experience of the audience that watches. *Hic tunc res agitur*. This is your life. But is the Nativity any more?

All over the world the same tableau is being staged, often by people or in communities who no longer have any real belief in the Christian world

view. The myth, drama, story, dream – whatever it is – lives on after the big world has let go of the Incarnation. But it still catches at our hearts.

The myth (let's call it that) has seeded itself in other worlds. There is a moving account of Sean Devereux staging a nativity play in an African village in Nimba County, Liberia.

Devereux was a teacher with a Catholic mission who was later assassinated (possibly by a western government) for his radical commitment to justice for the poor. His homespun nativity was the first time that that particular community had experienced a dramatic presentation of any kind.

In that African environment no one had any inhibitions about using a real baby to play the Lead Part. It was only after the event that Devereux discovered the baby he had grabbed from a nearby mother was in fact a girl. (*Tous ça change*). But there, too, the infant began to cry lustily at the peak moment. All the tribeswomen standing round transfixed by the story erupted spontaneously into the frenzied tribal dance with which they always celebrated a new birth in their community, ululating

**Behind the backcloth, a baby began to cry. It seemed to come straight from the bundle in Mary's arms**

joyously to the stars. In that community it was real. God had come among them.

While some of the villages in Africa are staging a nativity play for the first time, the custom is eroding in traditionally Christian lands. The familiar Christmas tableau is still mounted with deep affection in most English villages. But there are primary schools in many cities where Christmas comes only one year in three. It has to ring the changes with the festivals of other religions. The Lord Krishna has to be born as well.

This post-modernist mingling of cultures diminishes all myths by relativising them all. Other stories – St Nicholas transmutated into Father Christmas, Amil and the Night Visitors, Anna's Gift – have crept into the Christmas slot and take their turn with Bethlehem. Just like the panto – this year *Cinderella*, next year *Jack and the Beanstalk*. Does the child in the manger doff his divinity and wait his turn in the queue with *The Wizard of Oz* and *The Sound of Music*?

The Christmas stage is getting crowded. Does it matter? Communities need communal myths and shared stories to hold shared values. If there is only a frayed tapestry at the centre with faded pictures of lords and ladies from some medieval tale of chivalry it soon becomes part of the heritage-for-tourists. It no longer carries the heartbeat of living participants. If the Nativity is one item in a gallery of Renaissance pictures in the Uffizi, Florence, or an altar piece in a locked church to which visitors cannot get the key, it ceases to be organic.

Things then fall apart. The centre cannot hold. The falconer cannot hear the falconer. (Maybe the bird has forgotten that there is a falconer.) The fraying of the communal myths is a symptom of the erosion of community. It is significant that for most Americans, Thanksgiving is more significant than Christmas. Unlike the Christ Child, Thanksgiving belongs to all citizens of the US. The myth of the American dream – paradise lost, perhaps. But it still says to them all: "This is your life."

But why not let the obsolete myths fade as new, brighter and more entertaining stories fill our screens? Christmas is the season of myths. Midwinter is a time for dreaming. *The Wizard of Oz* is avowedly a dream about frail humanity – the cowardly lion, the brainless scarecrow, the heartless robot, the innocent child – confronting evil to find a magic



'The Adoration of the Kings' by Gossaert (Jan), oil (identified) on wood, at the National Gallery, London

spell to give them back their true selves. Sentimental perhaps, but it is its enduring magic just that that is what we are all dreaming?

Myths work best when they are organic to the community in which they are enacted. Panto on the screen or on film really does not work. The rapport between the audience and the theatre and the dame on the stage, the repartee with the demon or the witch, the sing-song and the cross-dressing all work because they are constantly repeated traditions in which a whole community takes part.

At the superficial level they are just fairy stories leavened with slapstick. But watch the faces of the children. They know unconsciously that they are dealing with risky things on the border between the child and the adult world. Evil and goodness, chaos and magic, the ambiguities of sexuality are dangerous stuff – but

safe in this mythical container. The actors come into the audience, so, yes, this is your life. If only life always had a happy ending – what a dream.

The Nativity as holy panto

**Jack and the Beanstalk is true to the child's experience on the risky margins of the adult world**

mime? I can hear my sceptical chum guffaw. Doesn't that sell the pass? I thought you were staging this tableau because you think it is true? Like reenacting the battle of Naseby. You do think it is true don't

you? I mean, *Jack and the Beanstalk* and *Cinderella* are fairy stories. Come on, come clean. If you had had a tape recorder up there on the hill behind Bethlehem would you have got the Hallelujah Chorus?

Well, no. In the Bible, angels are God's inverted comas. They throw into relief an event in which the world of the Spirit arcs across into our sub-lunary world. This particular story owes its perennial spell to just that power to reveal the Divine in the most ordinary human place. It deals in archetypes which resonate deep in our unconscious: the Night Journey; the Maiden; the Beasts; the Shepherds; the Star; the mysterious Kings; or Milton's "star-led Wizards"; and last but not least, the Child King, the King Who Must Die. Potent stuff, whether in a school hall in Dorset or a village in central Africa. God with us.

The myth of the Nativity lives on because it works at a number of different levels – in the modern jargon it is multi-valent. At one level it gives substance and validation to the abiding sense of miracle in every human birth, the sheer, heart-rending wonder of this unique baby for this mum and this dad.

At another level it evokes dreams of the huge potential, the untrammelled possibilities in every human baby however humble, and the dreams that every mother has for her newborn child. The woodcutter's third son can win the hand of the princess and with her the throne.

At yet another level it hints at the abyss of mystery which is the backcloth to our human existence and its meaning. The stars and the Magi who read their runes in the night sky tell of possible destinies for us and for our children beyond our horizons.

But for hundreds of millions of Christian people it lives on because it is also more than a human myth.

I feel the shadow of my friend leaning over my shoulder as I write. "Yes, yes, very fancy. But you don't actually think it's true, do you? And don't say, it all depends what you mean by true. Don't prevaricate."

A security camera in the market square in Bethlehem watching for strangers? A video in the stable? The note book of a local midwife? "Royal Reminiscences"? There is no corroboration. No, the nativity tableau presented in Christian communities all over the world is based on a single document, written by one of the four evangelists. In my view it was written to substantiate the claim of the first Christians that the man Jesus was the manifestation of God in a human being. It lives on, not because it is a historical, verifiable, accurate account of events which actually happened as they are described. It lives on because it is true to the Christian understanding of Jesus of Nazareth – not Jesus of Bethlehem.

My sceptical friend supposes that the Christian Church hangs on to the nativity story in the forlorn hope that it will remind or persuade a doubting public that Jesus is the Son of God. That is all back to front. The nativity stories (there are two of them) prove nothing. They evoke in the imagination the possibility of other modes of being which illuminates the heart of the Christian community. "What think ye of Christ?" King Lear proves nothing. But it is true. Isn't it? Here the person begins to creep up the pulpit steps. What else can he do? It's not so much. It all depends on what you mean by true – but, what do you mean by divine? What are the evidences, hints, glimpses, shafts of sunlight from the world of the Spirit? To understand Bethlehem you have to read the Gospels – just St John if you have no time for more. There is no Nativity in St John (or St Mark). If that is what this baby grew up to become, then the question is not: is it true? but: is it true to that one unacceptable human life? Can he give us our dreams?

*Jack and the Beanstalk* is true to the child's experience on the risky margins of the adult world. *Antigone* is true to the traumatic pre-history of the Greek cities; and the terrible conflict between the Rites of Family and the Rights of Kings.

Lear is true to the majesty and folly and madness of our condition. Bethlehem is true to Jesus. It does not matter if St Luke has used the palette of his own imagination to paint the stable scene just as Piero della Francesca did – and as I think he did. Whichever way it's true, it's true enough. True enough at least to sow Christ's seed in our children's hearts. And if it grows there to make them people like Sean Devereux, it's more than a lovely dream. It could change the world.

We have such a yearning for it to be true. Even Thomas Hardy, sad, sceptical, resigned, could write: "If someone said on Christmas Eve 'Come, see the stars and the Magi who read their runes in the night sky tell of possible destinies for us and for our children beyond our horizons'."

it logically."

On this festive note we arrived at Dunhill, and once again Sir James set upon the staff. "She's a policeman," he said pointing to me. The shop assistants laughed obligingly. Upstairs we were ushered into deep leather chairs, brought a decanter of whisky, and a subservient cigar vendor scuttled off to find a cigar for Sir James to try.

To my amazement, Sir James, a well-known teetotaler, poured himself a large glass. "It's Christmas," he said. "This is my first and last for the year."

"I can smell my pit now," he went on. "Back then, I didn't know a place like this existed. You saw him – he gave me an £11 cigar just now. And I'm sitting here. I've not been a dirty bastard or cheated anyone. I did that thing on the TV and radio which fortunately found favour."

He sat back, and waved his cigar at a picture on the wall. "Winston Churchill. He's my pal. Just like me. A bully. Chieftain tanks all over every body."

Seeing that I was making a move as if to go, he suddenly unzipped his track suit top. "I've put a special T-shirt on for you to reflect on in your piece," he said. He showed me the slogan: "Remember old age and treachery will overcome youth and skill."

"Eh," he said. "A bit of fun. Eh?"

## Lunch with the FT

# The man who would not be loved

Lucy Kellaway meets the people expert who plans to spend Christmas in the hospitals

Outside the Thai Rose Massage Parlour in Marylebone a man was loitering. He was wearing an oversized parka and a nylon deerstalker which covered his face. He approached, and led me into a greasy spoon café next door. Inside, the hat and coat came off, to reveal a familiar crop of yellow-white hair and a hideous track suit.

I had set out to have lunch with the nicest man in Britain. Sir James Savile is not to everybody's taste, but he has raised £30m for hospitals, and devotes most of his time to helping the sick and needy. He seemed just right for Christmas lunch.

Yet no sooner had I telephoned him than I started having second thoughts. "Are you phoning from Monaco? I know you financial journalists, you're all making so much money. But I won't let you pay for the lunch in Yorkshire we have a word for men who let ladies pay for them! It begins with a P and ends with an E and the middle letters are O, N, C."

It was no better when I met him. "Caviar and smoked salmon are the speciality here," he joked, handing me a menu. "I'd like beans on toast," he said to the waitress. "168 beans."

She looked slightly frightened. "One hundred and sixty eight beans," he repeated.

"She didn't think that was funny," I said when she had gone. "No, no, no, no, no," he contradicted me for the first of many times during what was going to be a long afternoon together. "You see these girls are from Hungary. She thought that was terrific. Actually she smiled twice."

The chef came out from behind the counter to see his favourite guest. "I'll give you 288 beans! Do you want them now or before Christmas?" They are as bad as each other, I thought.

Things started getting worse: "When I heard your voice on the telephone, I knew you were pretty," he said. The words were lecherous but the manner could not have been less so. The effect was disturbing.

"That is ridiculous," I said.

"Excuse me. Let me tell you something. Listen and learn. See these. He held out his wrists. On one was a watch, on the other a bracelet. Both were at least 2in thick and an orgy of gold and glitter. "There are over 2,020 diamonds there. They are real. Now, I could not tell you if these are diamonds or glass. You see I am a people

specialist. You have a nice voice on the phone. I should have done this interview on the phone because now I'll be thinking – he points a finger to his brains, as if to denote thought – "very nice she was. Wonder where she is now. So it's done me no good this has."

"I don't think this is very plausible," I said, weary of the charade. "So what are you doing at Christmas?" "I've got four sisters and two brothers. They have their own families, so apart from me seeing them right for Christmas – I let them get on with it. I always get by because I have my hospitals. They are terrific places at Christmas time."

As he worked his way through his plate of beans, he started to reminisce about his early days down the pit. "I was the only collier that enjoyed it. When I got to the coal face, I thought, that's been there for 70 million years. And I'm about to put my hand on it."

This led to his philosophy of life. How he has never been in a bad mood in his life. How starting skint made him clever with money, how he knows

when he has enough.

"I didn't want to lose touch with reality. In my hospital ward I see a lot of people who didn't know the meaning of enough. So they drove themselves into the ground." His brief moment of seriousness ended with him doing an impersonation of someone dying.

One of the most engaging things about Jimmy Savile is that he does not try to present himself as a good person. He needs prompting to talk about the machinery he has helped buy for his hospitals – a clean air operating theatre for Leeds Infirmary and an ultrasound machine that dissolves kidney stones. "That's marvellous," I said. He shrugged. "It's a bit of fun."

Instead, he wanted to tell me practical jokes. When he went down the pit in a suit and tie. When he put out an appeal on Australian television for a sheila who would teach him how to spend his millions.

He laughed heartily at the story, sat back, and said: "It's a bit of fun. It doesn't hurt anyone."

"A legendary TV man once



Jimmy Savile: never been in a bad mood in his life

said to me, 'You've got to be the most worked-out person I've ever met'. But if you are not careful," he said with a flash of self-knowledge, "that could make you a pain in the arse. It makes you a bit like a machine."

"And are you a machine?" I asked.

"I hope I am," he said. He explained the distraught

next of kin he sees in hospitals have taught him the perils of close personal relationships. "They had allowed into their lives something else that was living: wife, kids. These relationships can bite you on the leg." I protested that it was human nature to love and be loved.

"I don't want to be loved," he said. "I – me – would never have any living thing in my house with any permanency."

I said this sounded sinister. His terror of personal relationships strikes an odd chord with his claim to be a people expert. "It suits me. It wouldn't suit you because you are more human. I am not sinister in the sense of being dangerous sinister."

He started to talk about his work in the hospitals, and he suddenly seemed different. The tiresome prankster was gone. He told me how he teaches the next of kin not to grimace when they see their maimed loved ones for the first time. "Because I don't have to dash off and make some TV programme. It doesn't matter to me if I spend half an hour with someone or half a week."

He reached into his pocket to pay the £4.35 bill, and I caught a glimpse of the largest wad of notes I had ever seen.

I asked why he had several thousand pounds in his pocket. "It's because I never buy anything. I spent three months and nine days on a world cruise and I spent £8.50."

The lunch over, he invited me to go with him to Dunhill in Jermyn Street to pick up cigars. So you spend on cigars, I said. No, he insisted, they were all gifts.

We left the café. The hat went on again, and back came the manner. "It's my disguise. It's to do with being a sex symbol."

As we drove through the West End past the shops with their Christmas lights, I asked if he had bought presents for his 47 nieces and nephews.

"No, no, no, no, no," he said. "I've got a simple system. When the duchess [his mother] was alive she got everything. Now my brothers and sisters get everything and their kids get nothing. If I had to buy presents for my 60 relatives it would drive me round the twist. My nature is to do



**Kenneth lives at No 11. On Christmas eve, he finds something strange in his garden. Barry Riley takes up the tale**

"So long as I can say 'no' to the residents of this house, I shall grow stronger and stronger and the country will grow colder and colder. But if ever I say 'yes' there is a danger that

Then he started to walk towards the house. "Would you like to come inside?" asked Kenneth. Eddie nodded, and

"My legs feel a lot stronger," he said. "Now, come back to

They flew for miles and miles over the sea and mountains. At one point, they passed near a land where there seemed to be bright lights and

**The FT GUIDE TO WORLD**  
newspaper and covering over 200 countries  
number from the keypad or handset  
Calls are charged at 39p/min cheap  
outside the UK please telephone +44 17

**CURRENCIES**, published in Monday's **Species**, is now available by dialling the following sheet of your fax machine. 0891 437 081.  
Rate and 49p/min at all other times. For service '1 873 4378 for details on Cityline International.

GA

# AIN

100

10

Companies must notify the Stock Exchange within five working days of a share transaction by a director. This list contains all transactions (listed and unlisted) involving exercise of options. (\*) If 100% subsequently sold, with a value over £10,000. Information released by the Stock Exchange December 11-15 1999. Shares traded are ordinary.

Source: The Inside Track, Edinburgh, 0131-638 7070

**FOR**  **DAILY FAX SERVICE**  
Tel: 0171 - 931 9188 Fax: 0171 - 931 7114  
42a Buckingham Palace Rd, London SW1W 0RE

and news headlines on your PC with  
**Signal!** For more information call  
**44 + 171 600 6101**

**Signal**  
DATA REBROADCASTING CORPORATION

**K** **KNIIGHT-RIDDER'S FUTURES MARKET DATAKIT FOR ONLY \$595**

- The most popular SuperCams Charing Crossham
- A full range Specialised and of our mobile services
- City News Service
- NR Counts End-of-Day Printout Station
- DASHback - 90 years of equity releases across state on 40  
other counties

**\$1200 worth of data and software for just 2008 plus postage and packing.**

More information, see Website: [Vale77.PlantBreach.London.NCIV.MTC.England.Tel:+44\(0\)1753658502](http://Vale77.PlantBreach.London.NCIV.MTC.England.Tel:+44(0)1753658502)



# Weekend Investor

Wall Street

## Santa Greenspan leaves them happy

Interest rate cut proves a perfect end to a perfect year, says Maggie Urry

First, he stepped into a pair of red trousers. Then, he put on a matching coat with a wide, black belt and pulled on his big, black boots. Lastly, he donned a long red cap and a long white beard.

Then, Alan Greenspan cut interest rates.

The image of the dour Greenspan, chairman of the US Federal Reserve, behaving like Santa Claus is an unlikely one. It would be easier to cast him in the role of the Grinch, the miserly Dr. Seuss' character who tried to steal Christmas.

Yet, on Tuesday this week, Greenspan and the elves on the Federal Reserve's open market committee gave the markets a most welcome present in the form of a quarter-point cut, to 5½ per cent, in the target interest rate.

It was the perfect end to a perfect year. A rare conjunction of favourable factors has produced a stellar performance for the markets. It has been a year when an ability to believe in Father Christmas has been a fund manager's best chance of keeping up with the indices.

It would be hard to overstate the extraordinary nature of the stock market's gains. According to the Securities Industry Association, the rise in the value of the US stock market, of \$2,400bn, equals the total value of the market only 10 years ago.

Equities are up by roughly a third. The yield on the long bond has fallen by almost a quarter, from nearly 8 per cent to a little over 6 per cent.

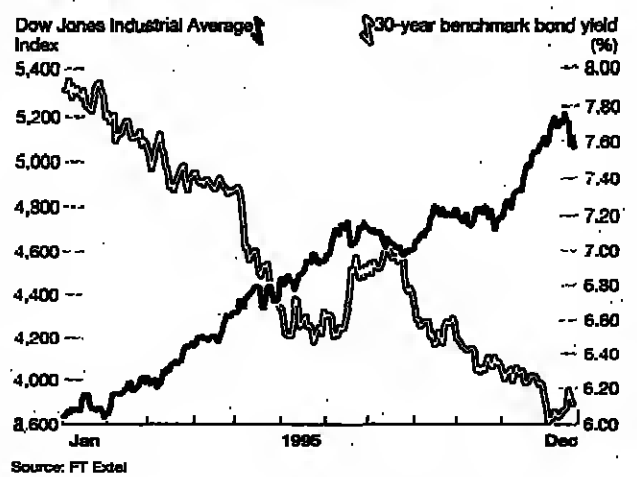
What has caused this spectacular performance, following 1994's year of gloom when rising interest rates laid the bond market low, shares were dull, and rapid growth in the economy brought concerns of overheating and inflation?

The Mexican crisis at the end of the year unsettled the markets, raising fears that the US economy would be damaged by economic difficulties south of the border. But, in a way, it ended up helping the US stock market.

Investors who lost money in emerging market funds turned back to US equities. A flood of money into mutual funds then fed upon itself. As money went into the markets, share prices rose and investors were attracted to put in even more money.

That alone would not have buoyed the markets so much. But everything else has gone

### The end of a record year



right, too.

At the start of the year Greenspan was still a Grinch. Interest rates had to take one more step up before the Fed was convinced it had done enough to choke off inflation. But, by the time the last increase was made in February, the phrase "soft landing" began to circulate.

The idea that the Fed could engineer a bit of a slowdown, enough to avoid inflation without tipping the economy into recession, was hard to believe at first. But, as the months progressed, the soft landing became more and more of a reality. And while the slowdown in economic growth had not been wholly good news to markets, concerned that it would be associated with a deceleration of corporate profit growth, here also the pessimists were proved wrong.

Through the year, investors have been repeatedly surprised by better than expected earnings. John Ballen, chief equity officer at Massachusetts Financial Services, a mutual fund group, says: "People looked at the economy and said it was weak, but companies that surprised on the upside did well, particularly in technology."

Good news on the economy and from the corporate sector has been underpinned by favourable political developments as well. The Republicans' landslide congressional victory in November 1994 has aided the markets as promises of capital gains tax cuts and a balanced budget have made investors happy.

So, as the holiday season gets near, the markets have been full of good cheer. Only a killjoy would raise the ques-

tion of whether too much good news is now in the market.

Certainly it has been a volatile week. The budget talks, which seemed to be going well at the end of the previous week, broke down suddenly. As they waned and waned over the week, the markets have risen and fallen. On Monday, the Dow Jones Industrial Average fell by more than 100 points, its seventh-largest one-day fall ever. It was not so dramatic in percentage terms but, even so, it indicated an underlying nervousness.

When the budget talks were again in doubt on Wednesday afternoon, the Dow took a sudden 50-point tumble just before it closed. Yesterday afternoon talks were progressing again but, since the thorny issues of welfare and Medicare cuts were on the agenda, there was no predicting how they would turn out.

Tuesday's interest rate cut was somewhat surprising because many investors assumed the Fed would not move rates down until a budget agreement had been reached. That raised the unnerving question of whether the Fed was influenced in its decision by Monday's market slide.

So, as New York settled down to an off-white Christmas, the snow on Wall Street was turning to grey slush. What will the new year bring?

### Dow Jones Ind Average

Monday	5,075.21 - 101.52
Tuesday	5,108.89 - 34.68
Wednesday	5,059.32 - 50.57
Thursday	5,096.53 + 37.21
Friday	

London

## Footsie's ghostly prescience

Bah humbug, ripostes Philip Coggan

Bob Cratchit edged nervously into the office of his boss, Ebenezer Scrooge, head of strategy at Silverman Cinch, the investment bank. He knew Scrooge hated to be interrupted when he was writing his annual forecast.

"Sorry to intrude," he said. "But I've only got a few clues to complete for the FT prize crossword. This one's got me stuck. Exclude hard-boiled sweet (3,6)."

"Bar humbug," exclaimed an exasperated Scrooge. "Try not to bother me again." He sighed as his grateful UK economist backed out of the office. Cratchit was an obvious candidate for downsizing.

His mind returned to the mystery of world stock markets. Was it down for the Dow? Would Footsie falter?

Suddenly, he sensed a mysterious presence in the room. He looked up to see an emaciated, pale figure standing over him. "Jacob Marley, my predecessor as head of strategy," he said.

"But I thought you were dead." "Almost. I moved into public relations after the fiasco. Remember how I went bananas over Polly Peck? I have come to help you avoid my mistakes. You will have three spectral investors to advise you. Expect them soon."

With that, Marley vanished as mysteriously as he arrived. Then Scrooge saw to his horror that the door was inching open. Was it the first of his visitors?

"Only me," said Cratchit. "I apologise for bothering you again. But if I can win this prize, I can buy Vertically Challenged Tim some platform shoes for Christmas. Sheep ordering a hat? (3,7)."

"Bah, humbug," said Scrooge. Really, these clues were so easy. Cratchit had gone but in his place stood an aged, dishevelled figure. "Who are you?" he stammered.

"I am the ghost of stock markets past," said the temporally-enhanced one, "come to recall your mistakes. Remember

when you turned bullish in September 1987?"

"Anyone can make an occasional error," said Scrooge. "Last year, I correctly forecast the end year level for Footsie." "On December 27," pointed out the ghost. "Anyway, your model is wrong. You've forgotten the importance of dividend yields and asset values. US shares are at an all-time low on the former and a high for the latter. They say it's different this time, just as they did in 1987. But the market's started to wobble. Look at Monday's 101 point fall in the Dow."

"The wave of takeovers and mergers could also be seen as a sign of a market top, as could some of the wild enthusiasm for technology and hi-tech stocks," added the spirit. "And in the US, private investors are still piling into mutual funds, convinced the market can only go up."

"But what about...?" said Scrooge. Alas, the ghost had faded away. The strategist sat in silence, his mind racing. So



The spirit of stock markets yet to come

Mary Evans Picture Library

if he adjusted the model and factored in the possibility of a US market decline.

His reverie was interrupted by a nervous cough - Cratchit again. "You've got the knack for this, boss," he said. "I'm stumped. Insect imitating a revving car engine (5,3)."

Couldn't the man get the bang of it yet, Scrooge thought. It was obvious. "Brrrrm bug," he said dismissively. Returning to his screen, he found his charts apparently going haywire. They were rearranging themselves into a face.

"I am the spirit of stock markets present," said the computer image. "Are you too focused on the fundamentals?" "Wall," said Scrooge. "The dividend yield on the All-Share index is less than 4 per cent, rarely a good sign. But the bond-equity yield ratio is close to 2 and that's reasonable. That's what's got me confused. Which is more important?"

"Neither," said the spirit. "Isn't it obvious that what's driving the market is liquidity? Interest rates are falling round the world. They were cut in the UK and Europe last week and in the US this week. Investors are switching funds from cash into bonds and shares. Corporations with strong balance sheets are off on a buying spree; around £30bn of cash has been returned to the market via takeovers in 1995."

"So what you're saying is..." Scrooge asked eagerly but his screen had returned to its normal self. There was no sign of the spirit.

He tried to gather his thoughts. So there was a risky US market and a liquidity surge. But how to fit it all

together? Maybe the third visitor would solve the puzzle.

Right on cue, a ghostly apparition appeared from the air conditioning. It hovered in the air like a mist until it formed the shape of a man.

"I am the spirit of stock markets yet-to-come," it said. "And I can reveal that Footsie will make it to 5,000 - eventually."

"By when?" asked Scrooge. "Who do you think I am, Warren Buffett?" responded the spirit. "I am just here to remind you of the potential hazards. There may be a UK general election and a Labour government, which looks set to impose policies such as a minimum wage and possibly a less favourable tax regime for dividends which will hit corporate profits. In any case, if the economy is slowing, so will earnings growth, especially as European export markets are not as buoyant as they were."

"So what should I do?" begged Scrooge. "You have all the clues," intoned the spirit, as it drifted away.

Scrooge scratched his head. Then, suddenly, he had it - the answer to successful investment in 1996. If he could just write it down before he was interrupted.

No luck. In came Cratchit. "The last one, Mr Scrooge. You must help me for Tim's sake. Almighty looks favourably on all Spanish boys (3,7,5,4)."

It was inevitable, thought Scrooge. How else could the crossword, or the story, end? He might as well get on with it. With a deep breath, he said:

"God blesses every Juan."



### Diary of a Private Investor

## The real guilt at Christmas

Put your family first, urges Kevin Goldstein-Jackson

A woman with a loud voice said: "Jesus could use a man like you." I looked up from my meal in a hamburger restaurant.

It was evening in a rather rough area in a foreign country. There was a strange look in her eyes and she was clutching something under her raincoat. I was unsure as to how I should respond: I just hoped she was not about to produce a gun.

Instead, she revealed a pile of leaflets, placed one on my table and then went to talk to some other people. The leaflet was advertising a religious rock concert for Christmas. At least someone was associating Christmas with a religious - rather than a shopping - event.

Many people regard church as a place where people are taken only when they are christened, married and buried.

Some, however, experience a pang of guilt at this time of year over their lack of religious activity, so they attend a carol service. They can then at least claim to be regular churchgoers: they go every Christmas.

Charities bombard people at Christmas with shopping catalogues and appeals, hoping to benefit from seasonal feelings of guilt and giving.

Before parting with any

money, though, I like to discover exactly how much the charity will be gaining from any purchase or donation, and how much is spent on paying high salaries to staff and maintaining large offices in unnecessarily expensive locations.

Is the money it receives spent where it will do the most good, or is a large proportion hoarded for some unexplained reason? Does the charity invest its surplus funds wisely, or has it backed a variety of loss-making "commercial" ventures?

There is a lot of guilt around at Christmas. Children want "I want X" (usually something that is over-priced, made of plastic and heavily advertised on television) or "Everyone at school except me has got Y" (such as a personal computer, CD player, mountain bike, pierced navel). Parents feel guilty if they cannot meet the expectations of their offspring.

But why? What people want is not necessarily good for them. And if children grow up in an atmosphere where demands and screams produce the goods they require, then they are being given the best preparation for an adult life in which they will probably have to work for everything and many of their wishes will never be fulfilled.

If children are taught the value of money from a very

early age, they will more readily appreciate the effort that has to go into earning it. With luck, they will use that money wisely in adult life.

Over the year, my two daughters have received many of the items they requested for Christmas. Anything I was not prepared to buy, they could purchase with their own money from savings and investments - but only after they had investigated the

alternatives carefully and decided if they genuinely still wanted it.

I reminded them, gently, of some of the other items they had once said they must have (but did not get), while some of their friends who did get them were soon embarrassed because the items either fell to pieces or quickly became very unfashionable.

It is not only buying presents for children that can

cause problems. Adults, too, present a considerable challenge.

Several years ago, my elder daughter asked me: "Daddy, what do you give a man who has everything?" I replied: "Penicillin." Thinking that the answer required was the punchline to a joke. But she groaned and said she was serious: what could she get me for Christmas that she could afford?

"Purple handkerchiefs," I said, as I like that colour. But the suggestion was to cause considerable anguish for my wife. She had to take my daughter around dozens of shops, only to discover that none sold cheap purple handkerchiefs.

Instead, my daughter created a book of vouchers which I could use to get her to do such chores as 'dig up weeds'.

Receiving presents can also prove problematical. What do you do with a ghastly multi-coloured glass fish that a relative has given you? Hide it away and display it only when she visits? Or do as I did and "accidentally" knock

it off a shelf so that it breaks and has to be thrown away? (But before anyone follows this example, check the item's value. It might look hideous but it could turn out to be an unexpectedly expensive collector's item.)

It is recalling incidents like these that have made me think of the two best things that anyone can buy for Christmas.

This is the first festive season that I will be abroad while my wife and children are in England. What if something fatal happened to me? Would their financial needs be comfortably met? Would my assets - including collector's items - be distributed in a manner that I would regard as fair and reasonable, and to the people I wanted?

Fortunately, I have adequate life assurance cover and my will is up to date. But far too many people have not made a will. Yet, term life assurance cover can be cheaper than some costume jewellery.

If people really care for their families, then insurance protection is crucial, as is tax-efficient will-making. It is far better to have reduced spending on other gifts in order to afford proper safeguards for the family. Any guilt at Christmas should be felt mainly by people who have not done so.

Acquisition of

### Eversholt Leasing Limited

for a price of £580,000,000

from British Rail as part of the sale of the rolling stock leasing companies (ROSCOs)

The undersigned developed the bidding consortium and acted as Financial Advisors to the purchaser's management and Eversholt Holdings Limited, the acquiring company.

Arthur Andersen

Morgan Grenfell &amp; Co. Limited

ARTHUR ANDERSEN

ARTHUR ANDERSEN &amp; Co. SC

Deutsche Morgan Grenfell



Barry Riley tells the tale of Christmas at 11 Downing Street, Page XV

150 سال







**FT MANAGED FUNDS SERVICE**

● FT Cityline Unit Trust Prices are available over the telephone. Call the FT Cityline Help Desk on (+44 171) 879 4378 for more details.

[illegible]

هكذا من الامم



3 4378 for more details.

● FT Cityline Unit Trust Prices are available over the telephone. Call the FT Cityline Help Desk on (44 171) 873 4328 for more details.

Money Market Bank Accounts

Aldred Trust Bank Ltd				
25 Temple St, London, EC2E 6AT				
Current (22-25-80)	5.75	5.75	5.75	5.75
Overnight (22-25-80)	5.75	5.75	5.75	5.75
3 Month (22-25-80)	5.75	5.75	5.75	5.75
6 Month (22-25-80)	5.75	5.75	5.75	5.75
12 Month (22-25-80)	5.75	5.75	5.75	5.75
18 Month (22-25-80)	5.75	5.75	5.75	5.75
24 Month (22-25-80)	5.75	5.75	5.75	5.75
36 Month (22-25-80)	5.75	5.75	5.75	5.75
48 Month (22-25-80)	5.75	5.75	5.75	5.75
60 Month (22-25-80)	5.75	5.75	5.75	5.75
72 Month (22-25-80)	5.75	5.75	5.75	5.75
84 Month (22-25-80)	5.75	5.75	5.75	5.75
96 Month (22-25-80)	5.75	5.75	5.75	5.75
108 Month (22-25-80)	5.75	5.75	5.75	5.75
120 Month (22-25-80)	5.75	5.75	5.75	5.75
132 Month (22-25-80)	5.75	5.75	5.75	5.75
144 Month (22-25-80)	5.75	5.75	5.75	5.75
156 Month (22-25-80)	5.75	5.75	5.75	5.75
168 Month (22-25-80)	5.75	5.75	5.75	5.75
180 Month (22-25-80)	5.75	5.75	5.75	5.75
192 Month (22-25-80)	5.75	5.75	5.75	5.75
204 Month (22-25-80)	5.75	5.75	5.75	5.75
216 Month (22-25-80)	5.75	5.75	5.75	5.75
228 Month (22-25-80)	5.75	5.75	5.75	5.75
240 Month (22-25-80)	5.75	5.75	5.75	5.75
252 Month (22-25-80)	5.75	5.75	5.75	5.75
264 Month (22-25-80)	5.75	5.75	5.75	5.75
276 Month (22-25-80)	5.75	5.75	5.75	5.75
288 Month (22-25-80)	5.75	5.75	5.75	5.75
300 Month (22-25-80)	5.75	5.75	5.75	5.75
312 Month (22-25-80)	5.75	5.75	5.75	5.75
324 Month (22-25-80)	5.75	5.75	5.75	5.75
336 Month (22-25-80)	5.75	5.75	5.75	5.75
348 Month (22-25-80)	5.75	5.75	5.75	5.75
360 Month (22-25-80)	5.75	5.75	5.75	5.75
372 Month (22-25-80)	5.75	5.75	5.75	5.75
384 Month (22-25-80)	5.75	5.75	5.75	5.75
396 Month (22-25-80)	5.75	5.75	5.75	5.75
408 Month (22-25-80)	5.75	5.75	5.75	5.75
420 Month (22-25-80)	5.75	5.75	5.75	5.75
432 Month (22-25-80)	5.75	5.75	5.75	5.75
444 Month (22-25-80)	5.75	5.75	5.75	5.75
456 Month (22-25-80)	5.75	5.75	5.75	5.75
468 Month (22-25-80)	5.75	5.75	5.75	5.75
480 Month (22-25-80)	5.75	5.75	5.75	5.75
492 Month (22-25-80)	5.75	5.75	5.75	5.75
504 Month (22-25-80)	5.75	5.75	5.75	5.75
516 Month (22-25-80)	5.75	5.75	5.75	5.75
528 Month (22-25-80)	5.75	5.75	5.75	5.75
540 Month (22-25-80)	5.75	5.75	5.75	5.75
552 Month (22-25-80)	5.75	5.75	5.75	5.75
564 Month (22-25-80)	5.75	5.75	5.75	5.75
576 Month (22-25-80)	5.75	5.75	5.75	5.75
588 Month (22-25-80)	5.75	5.75	5.75	5.75
600 Month (22-25-80)	5.75	5.75	5.75	5.75
612 Month (22-25-80)	5.75	5.75	5.75	5.75
624 Month (22-25-80)	5.75	5.75	5.75	5.75
636 Month (22-25-80)	5.75	5.75	5.75	5.75
648 Month (22-25-80)	5.75	5.75	5.75	5.75
660 Month (22-25-80)	5.75	5.75	5.75	5.75
672 Month (22-25-80)	5.75	5.75	5.75	5.75
684 Month (22-25-80)	5.75	5.75	5.75	5.75
696 Month (22-25-80)	5.75	5.75	5.75	5.75
708 Month (22-25-80)	5.75	5.75	5.75	5.75
720 Month (22-25-80)	5.75	5.7		

American Express Bank Ltd				
High Street, London, EC2A 4AR				
Current (22-25-80)	5.75	5.75	5.75	5.75
Overnight (22-25-80)	5.75	5.75	5.75	5.75
3 Month (22-25-80)	5.75	5.75	5.75	5.75
6 Month (22-25-80)	5.75	5.75	5.75	5.75
12 Month (22-25-80)	5.75	5.75	5.75	5.75
18 Month (22-25-80)	5.75	5.75	5.75	5.75
24 Month (22-25-80)	5.75	5.75	5.75	5.75
36 Month (22-25-80)	5.75	5.75	5.75	5.75
48 Month (22-25-80)	5.75	5.75	5.75	5.75
60 Month (22-25-80)	5.75	5.75	5.75	5.75
72 Month (22-25-80)	5.75	5.75	5.75	5.75
84 Month (22-25-80)	5.75	5.75	5.75	5.75
96 Month (22-25-80)	5.75	5.75	5.75	5.75
108 Month (22-25-80)	5.75	5.75	5.75	5.75
120 Month (22-25-80)	5.75	5.75	5.75	5.75
132 Month (22-25-80)	5.75	5.75	5.75	5.75
144 Month (22-25-80)	5.75	5.75	5.75	5.75
156 Month (22-25-80)	5.75	5.75	5.75	5.75
168 Month (22-25-80)	5.75	5.75	5.75	5.75
180 Month (22-25-80)	5.75	5.75	5.75	5.75
192 Month (22-25-80)	5.75	5.75	5.75	5.75
204 Month (22-25-80)	5.75	5.75	5.75	5.75
216 Month (22-25-80)	5.75	5.75	5.75	5.75
228 Month (22-25-80)	5.75	5.75	5.75	5.75
240 Month (22-25-80)	5.75	5.75	5.75	5.75
252 Month (22-25-80)	5.75	5.75	5.75	5.75
264 Month (22-25-80)	5.75	5.75	5.75	5.75
276 Month (22-25-80)	5.75	5.75	5.75	5.75
288 Month (22-25-80)	5.75	5.75	5.75	5.75
300 Month (22-25-80)	5.75	5.75	5.75	5.75
312 Month (22-25-80)	5.75	5.75	5.75	5.75
324 Month (22-25-80)	5.75	5.75	5.75	5.75
336 Month (22-25-80)	5.75	5.75	5.75	5.75
348 Month (22-25-80)	5.75	5.75	5.75	5.75
360 Month (22-25-80)	5.75	5.75	5.75	5.75
372 Month (22-25-80)	5.75	5.75	5.75	5.75
384 Month (22-25-80)	5.75	5.75	5.75	5.75
396 Month (22-25-80)	5.75	5.75	5.75	5.75
408 Month (22-25-80)	5.75	5.75	5.75	5.75
420 Month (22-25-80)	5.75	5.75	5.75	5.75
432 Month (22-25-80)	5.75	5.75	5.75	5.75
444 Month (22-25-80)	5.75	5.75	5.75	5.75
456 Month (22-25-80)	5.75	5.75	5.75	5.75
468 Month (22-25-80)	5.75	5.75	5.75	5.75
480 Month (22-25-80)	5.75	5.75	5.75	5.75
492 Month (22-25-80)	5.75	5.75	5.75	5.75
504 Month (22-25-80)	5.75	5.75	5.75	5.75
516 Month (22-25-80)	5.75	5.75	5.75	5.75
528 Month (22-25-80)	5.75	5.75	5.75	5.75
540 Month (22-25-80)	5.75	5.75	5.75	5.75
552 Month (22-25-80)	5.75	5.75	5.75	5.75
564 Month (22-25-80)	5.75	5.75	5.75	5.75
576 Month (22-25-80)	5.75	5.75	5.75	5.75
588 Month (22-25-80)	5.75	5.75	5.75	5.75
600 Month (22-25-80)	5.75	5.75	5.75	5.75
612 Month (22-25-80)	5.75	5.75	5.75	5.75
624 Month (22-25-80)	5.75	5.75	5.75	5.75
636 Month (22-25-80)	5.75	5.75	5.75	5.75
648 Month (22-25-80)	5.75	5.75	5.75	5.75
660 Month (22-25-80)	5.75	5.75	5.75	5.75
672 Month (22-25-80)	5.75	5.75	5.75	5.75
684 Month (22-25-80)	5.75	5.75	5.75	5.75
696 Month (22-25-80)	5.75	5.75	5.75	5.75
708 Month (22-25-80)	5.75	5.75	5.75	5.75
720 Month (22-25-80)	5.75	5.75	5.75	5.75

Bank of Scotland				
25 Temple St, London, EC2E 6AT				
Current (22-25-80)	5.75	5.75	5.75	5.75
Overnight (22-25-80)	5.75	5.75	5.75	5.75
3 Month (22-25-80)	5.75	5.75	5.75	5.75
6 Month (22-25-80)	5.75	5.75	5.75	5.75
12 Month (22-25-80)	5.75	5.75	5.75	5.75
18 Month (22-25-80)	5.75	5.75	5.75	5.75
24 Month (22-25-80)	5.75	5.75	5.75	5.75
36 Month (22-25-80)	5.75	5.75	5.75	5.75
48 Month (22-25-80)	5.75	5.75	5.75	5.75
60 Month (22-25-80)	5.75	5.75	5.75	5.75
72 Month (22-25-80)	5.75	5.75	5.75	5.75
84 Month (22-25-80)	5.75	5.75	5.75	5.75
96 Month (22-25-80)	5.75	5.75	5.75	5.75
108 Month (22-25-80)	5.75	5.75	5.75	5.75
120 Month (22-25-80)	5.75	5.75	5.75	5.75
132 Month (22-25-80)	5.75	5.75	5.75	5.75
144 Month (22-25-80)	5.75	5.75	5.75	5.75
156 Month (22-25-80)	5.75	5.75	5.75	5.75
168 Month (22-25-80)	5.75	5.75	5.75	5.75
180 Month (22-25-80)	5.75	5.75	5.75	5.75
192 Month (22-25-80)	5.75	5.75	5.75	5.75
204 Month (22-25-80)	5.75	5.75	5.75	5.75
216 Month (22-25-80)	5.75	5.75	5.75	5.75
228 Month (22-25-80)	5.75	5.75	5.75	5.75
240 Month (22-25-80)	5.75	5.75	5.75	5.75
252 Month (22-25-80)	5.75	5.75	5.75	5.75
264 Month (22-25-80)	5.75	5.75	5.75	5.75
276 Month (22-25-80)	5.75	5.75	5.75	5.75
288 Month (22-25-80)	5.75	5.75	5.75	5.75
300 Month (22-25-80)	5.75	5.75	5.75	5.75
312 Month (22-25-80)	5.75	5.75	5.75	5.75
324 Month (22-25-80)	5.75	5.75	5.75	5.75
336 Month (22-25-80)	5.75	5.75	5.75	5.75
348 Month (22-25-80)	5.75	5.75	5.75	5.75
360 Month (22-25-80)	5.75	5.75	5.75	5.75
372 Month (22-25-80)	5.75	5.75	5.75	5.75
384 Month (22-25-80)	5.75	5.75	5.75	5.75
396 Month (22-25-80)	5.75	5.75	5.75	5.75
408 Month (22-25-80)	5.75	5.75	5.75	5.75
420 Month (22-25-80)	5.75	5.75	5.75	5.75
432 Month (22-25-80)	5.75	5.75	5.75	5.75
444 Month (22-25-80)	5.75	5.75	5.75	5.75
456 Month (22-25-80)	5.75	5.75	5.75	5.75
468 Month (22-25-80)	5.75	5.75	5.75	5.75
480 Month (22-25-80)	5.75	5.75	5.75	5.75
492 Month (22-25-80)	5.75	5.75	5.75	5.75
504 Month (22-25-80)	5.75	5.75	5.75	5.75
516 Month (22-25-80)	5.75	5.75	5.75	5.75
528 Month (22-25-80)	5.75	5.75	5.75	5.75
540 Month (22-25-80)	5.75	5.75	5.75	5.75
552 Month (22-25-80)	5.75	5.75	5.75	5.75
564 Month (22-25-80)	5.75	5.75	5.75	5.75
576 Month (22-25-80)	5.75	5.75	5.75	5.75
588 Month (22-25-80)	5.75	5.75	5.75	5.75
600 Month (22-25-80)	5.75	5.75	5.75	5.75
612 Month (22-25-80)	5.75	5.75	5.75	5.75
624 Month (22-25-80)	5.75	5.75	5.75	5.75
636 Month (22-25-80)	5.75	5.75	5.75	5.75
648 Month (22-25-80)	5.75	5.75	5.75	5.75
660 Month (22-25-80)	5.75	5.75	5.75	5.75
672 Month (22-25-80)	5.75	5.75	5.75	5.75
684 Month (22-25-80)	5.75	5.75	5.75	5.75
696 Month (22-25-80)	5.75	5.75	5.75	5.75
708 Month (22-25-80)	5.75	5.75	5.75	5.75
720 Month (22-25-80)	5.75	5.75	5.75	5.75

Bank of Scotland				
25 Temple St, London, EC2E 6AT				
Current (22-25-80)	5.75	5.75	5.75	5.75
Overnight (22-25-80)	5.75	5.75	5.75	5.75
3 Month (22-25-80)	5.75	5.75	5.75	5.75
6 Month (22-25-				

*Aquascutum*

**WINTER  
SALE**

**STARTS  
27TH DECEMBER**

**UP TO 50% OFF  
ORIGINAL PRICES**

100 Regent Street, London W1A 2AQ. 0171 734 0050.  
7-13 Erompton Road, Knightsbridge SW3 1ED. 0171 561 4444.  
36 Park Lane, Meadowhall Centre, Sheffield S9 1HL. 0114 256 9454  
24 St Anne's Square, Manchester M2 7UB. 0161 934 5617







FT Cityline Unit Trust Prices are available over the telephone. Call the FT Cityline Help Desk on (+44 171) 873 4378 for more details.

[illegible]







## WORLD STOCK MARKETS

# Equities drift higher in thin trading

## Wall Street

US share prices drifted higher in thin trading yesterday morning, helped by a rally in the bond market and greater optimism over the outcome of the budget debate in Washington, writes Richard Waters in New York.

The Dow Jones Industrial Average was up 12.64 at 5,108.17. After two big falls during the week, the most widely followed barometer of US stocks was around 70 points below its closing level of the week before.

Among the broader stock market indices, the Standard & Poor's 500 was up 1.36, at 612.44, while the Nasdaq composite was 3.87 higher at 1,044.51.

The market's rise was underpinned by a firm bond market. Among the biggest gainers during the morning was Exxon, the US's largest natural gas company, which climbed 2.4, or 5.6 per cent, to \$37.74.

The company responded aggressively to a fall in its shares the day before, prompted by speculation that it had been caught out by a sudden move in natural gas prices, by buying shares under a previously announced buy-back programme and denying the rumours.

Technology stocks continued their recent climb. Among the biggest of the biotech companies, added 2.4 to 3.7, while Genzyme was up 4.4 at \$59. Meanwhile, Centocor, the company whose positive product news earlier in the week had sparked the latest biotech rally, eased back 3.1% to \$31.

Shares in UAL, parent of United Airlines, shed another 3.6% during the morning, or 3 per cent, to \$14.74. That followed a 10 per cent fall the day before on a profit warning.

Coca-Cola, meanwhile, continued its December slide, nudged lower by Thursday's mildly disappointing production forecast. The shares were down 1.1 at \$71.14 by lunchtime.

They are less than two weeks ago.

## Canada

Toronto extended its gains further on the final trading day of 1995 for Canadian settlement purposes. The TSE composite index rose 15.71 to 4,718.67 at 3:00, although volume fell from 40.6m to 36.7m shares.

BCE held Thursday's gains, trading flat at C\$47. In a strong transportation sector, Laidlaw B put on C\$4 at C\$12.84, having agreed to sell half of its stake in the security company, ADT, to Western Resources for C\$250m.

TVX Gold rose C\$4 to C\$30 on its acquisition of Kassandra Mines, in Greece.

## Latin America

MEXICO CITY was slightly weaker in thin mid-morning trade as a number of investors took profits. The IPC index lost 23.11 to 2,811.38 in modest volume of 42.8m shares. Dealers said that the market was consolidating, having risen by 6 per cent earlier in the week.

SAO PAULO firmed by early afternoon in line with a rise on Wall Street. The Bovespa index was up 107.94 or 2.5 per cent at 43,600. In BUENOS AIRES the market was little changed by midsession, with the Merval index up 5.15 at 620.95.

## SOUTH AFRICA

Industrial shares closed at a new high for 1995 after a quiet half-day's trading session. Golds, in contrast, were marginally lower as the price of bullion remained stable.

The all-share index made 1.5 to 6,257.7, the industrial index added 13.4 to 7,991.1 and the gold index slipped 3.5 to 1,857.5.

Among active issues Suppi rose R3.50 to R56.50. De Beers gained 25 cents to R112.50, Anglo lost 50 cents to R224, and Dries edged up 25 cents to R46.25.

# Austerity measures offer equity risks in 1996

Political influence will come into play at domestic, international and European level, says James Cornish

As 1996 ends, political developments continue to sway European equity markets.

Will the French government continue to hold out for fiscal tightness, or will renewed public sector strikes force a retreat?

When will there be new elections in Italy, and will they lead to a stable government?

Will the Franco-German partnership develop into the hard core of monetary union?

Will political change in Russia influence Western European markets?

The French market is down by 8.6 per cent since mid-May, when election hopes began to turn sour, while the FTSE 100 Europe index has risen by 5.2 per cent; similarly, in Italy the index has fallen by 15.3 per cent since mid-February, when the Dini government first ran into budget difficulties, while the European index is up 9.6 per cent over the same period.

In most countries the concern is not whether a particular government has a left-wing or right-wing policy. Mainstream parties of both left and right agree on the overriding

need to cut budget deficits in the many countries where they remain unacceptably high after two or even three years of economic recovery. The political problem is rather that governments may be unable to put their good intentions into practice, either because of pressure from unions and public demonstrations, or because they do not rely on a solid majority in parliament. Weak economic growth and continued high unemployment add to the pressures, and the Maastricht Treaty criteria are a prop only to those few countries confident of being able to meet them.

In France, the president, Mr Jacques Chirac, owed his election in May to a campaign which transcended awkward political choices. After a period of euphoria, markets lost ground as his government hung on to the strong franc without putting through the big cuts in the budget deficit which would have led to a more stable public sector. In late October the president decided to direct against the proposed cuts in the social security deficit. The markets would penalise any serious government

to bring the social security budget into surplus in 1997. He also launched attacks on public sector pension privileges and the railways deficit, multiplying his enemies and suggesting that he had failed to learn from the tactics of Mrs Thatcher and President Reagan, who defeated the miners

backsliding, and Mr Juppé is likely to keep his nerve in order to allow interest rates to fall further. Tensions should relax in 1996, but the majority of French people remain uneasy at the social costs of moving to liberalism. Politics in France will remain interesting.

France's progress towards meeting the Maastricht criteria will continue to be a prerequisite for European monetary union in 1999. With French and German parliamentary elections due in March and November 1998, the aim of both governments will be to demonstrate the inevitability of meeting the Maastricht

and the air traffic controllers by taking on their unions in isolation. Belatedly, he has made concessions to the transport unions, ending the 35-hour public sector strikes. Union pressure is now being directed against the proposed cuts in the social security deficit. The markets would penalise any serious government

to bring the social security budget into surplus in 1997. He also launched attacks on public sector pension privileges and the railways deficit, multiplying his enemies and suggesting that he had failed to learn from the tactics of Mrs Thatcher and President Reagan, who defeated the miners

backsliding, and Mr Juppé is likely to keep his nerve in order to allow interest rates to fall further. Tensions should relax in 1996, but the majority of French people remain uneasy at the social costs of moving to liberalism. Politics in France will remain interesting.

France's progress towards meeting the Maastricht criteria will continue to be a prerequisite for European monetary union in 1999. With French and German parliamentary elections due in March and November 1998, the aim of both governments will be to demonstrate the inevitability of meeting the Maastricht

and the air traffic controllers by taking on their unions in isolation. Belatedly, he has made concessions to the transport unions, ending the 35-hour public sector strikes. Union pressure is now being directed against the proposed cuts in the social security deficit. The markets would penalise any serious government

to bring the social security budget into surplus in 1997. He also launched attacks on public sector pension privileges and the railways deficit, multiplying his enemies and suggesting that he had failed to learn from the tactics of Mrs Thatcher and President Reagan, who defeated the miners

backsliding, and Mr Juppé is likely to keep his nerve in order to allow interest rates to fall further. Tensions should relax in 1996, but the majority of French people remain uneasy at the social costs of moving to liberalism. Politics in France will remain interesting.

France's progress towards meeting the Maastricht criteria will continue to be a prerequisite for European monetary union in 1999. With French and German parliamentary elections due in March and November 1998, the aim of both governments will be to demonstrate the inevitability of meeting the Maastricht

and the air traffic controllers by taking on their unions in isolation. Belatedly, he has made concessions to the transport unions, ending the 35-hour public sector strikes. Union pressure is now being directed against the proposed cuts in the social security deficit. The markets would penalise any serious government

to bring the social security budget into surplus in 1997. He also launched attacks on public sector pension privileges and the railways deficit, multiplying his enemies and suggesting that he had failed to learn from the tactics of Mrs Thatcher and President Reagan, who defeated the miners

backsliding, and Mr Juppé is likely to keep his nerve in order to allow interest rates to fall further. Tensions should relax in 1996, but the majority of French people remain uneasy at the social costs of moving to liberalism. Politics in France will remain interesting.

France's progress towards meeting the Maastricht criteria will continue to be a prerequisite for European monetary union in 1999. With French and German parliamentary elections due in March and November 1998, the aim of both governments will be to demonstrate the inevitability of meeting the Maastricht

and the air traffic controllers by taking on their unions in isolation. Belatedly, he has made concessions to the transport unions, ending the 35-hour public sector strikes. Union pressure is now being directed against the proposed cuts in the social security deficit. The markets would penalise any serious government

to bring the social security budget into surplus in 1997. He also launched attacks on public sector pension privileges and the railways deficit, multiplying his enemies and suggesting that he had failed to learn from the tactics of Mrs Thatcher and President Reagan, who defeated the miners

backsliding, and Mr Juppé is likely to keep his nerve in order to allow interest rates to fall further. Tensions should relax in 1996, but the majority of French people remain uneasy at the social costs of moving to liberalism. Politics in France will remain interesting.

France's progress towards meeting the Maastricht criteria will continue to be a prerequisite for European monetary union in 1999. With French and German parliamentary elections due in March and November 1998, the aim of both governments will be to demonstrate the inevitability of meeting the Maastricht

and the air traffic controllers by taking on their unions in isolation. Belatedly, he has made concessions to the transport unions, ending the 35-hour public sector strikes. Union pressure is now being directed against the proposed cuts in the social security deficit. The markets would penalise any serious government

to bring the social security budget into surplus in 1997. He also launched attacks on public sector pension privileges and the railways deficit, multiplying his enemies and suggesting that he had failed to learn from the tactics of Mrs Thatcher and President Reagan, who defeated the miners

backsliding, and Mr Juppé is likely to keep his nerve in order to allow interest rates to fall further. Tensions should relax in 1996, but the majority of French people remain uneasy at the social costs of moving to liberalism. Politics in France will remain interesting.

France's progress towards meeting the Maastricht criteria will continue to be a prerequisite for European monetary union in 1999. With French and German parliamentary elections due in March and November 1998, the aim of both governments will be to demonstrate the inevitability of meeting the Maastricht

and the air traffic controllers by taking on their unions in isolation. Belatedly, he has made concessions to the transport unions, ending the 35-hour public sector strikes. Union pressure is now being directed against the proposed cuts in the social security deficit. The markets would penalise any serious government

to bring the social security budget into surplus in 1997. He also launched attacks on public sector pension privileges and the railways deficit, multiplying his enemies and suggesting that he had failed to learn from the tactics of Mrs Thatcher and President Reagan, who defeated the miners

backsliding, and Mr Juppé is likely to keep his nerve in order to allow interest rates to fall further. Tensions should relax in 1996, but the majority of French people remain uneasy at the social costs of moving to liberalism. Politics in France will remain interesting.

France's progress towards meeting the Maastricht criteria will continue to be a prerequisite for European monetary union in 1999. With French and German parliamentary elections due in March and November 1998, the aim of both governments will be to demonstrate the inevitability of meeting the Maastricht

and the air traffic controllers by taking on their unions in isolation. Belatedly, he has made concessions to the transport unions, ending the 35-hour public sector strikes. Union pressure is now being directed against the proposed cuts in the social security deficit. The markets would penalise any serious government

to bring the social security budget into surplus in 1997. He also launched attacks on public sector pension privileges and the railways deficit, multiplying his enemies and suggesting that he had failed to learn from the tactics of Mrs Thatcher and President Reagan, who defeated the miners

backsliding, and Mr Juppé is likely to keep his nerve in order to allow interest rates to fall further. Tensions should relax in 1996, but the majority of French people remain uneasy at the social costs of moving to liberalism. Politics in France will remain interesting.

France's progress towards meeting the Maastricht criteria will continue to be a prerequisite for European monetary union in 1999. With French and German parliamentary elections due in March and November 1998, the aim of both governments will be to demonstrate the inevitability of meeting the Maastricht

and the air traffic controllers by taking on their unions in isolation. Belatedly, he has made concessions to the transport unions, ending the 35-hour public sector strikes. Union pressure is now being directed against the proposed cuts in the social security deficit. The markets would penalise any serious government

to bring the social security budget into surplus in 1997. He also launched attacks on public sector pension privileges and the railways deficit, multiplying his enemies and suggesting that he had failed to learn from the tactics of Mrs Thatcher and President Reagan, who defeated the miners

backsliding, and Mr Juppé is likely to keep his nerve in order to allow interest rates to fall further. Tensions should relax in 1996, but the majority of French people remain uneasy at the social costs of moving to liberalism. Politics in France will remain interesting.

France's progress towards meeting the Maastricht criteria will continue to be a prerequisite for European monetary union in 1999. With French and German parliamentary elections due in March and November 1998, the aim of both governments will be to demonstrate the inevitability of meeting the Maastricht

and the air traffic controllers by taking on their unions in isolation. Belatedly, he has made concessions to the transport unions, ending the 35-hour public sector strikes. Union pressure is now being directed against the proposed cuts in the social security deficit. The markets would penalise any serious government

to bring the social security budget into surplus in 1997. He also launched attacks on public sector pension privileges and the railways deficit, multiplying his enemies and suggesting that he had failed to learn from the tactics of Mrs Thatcher and President Reagan, who defeated the miners

backsliding, and Mr Juppé is likely to keep his nerve in order to allow interest rates to fall further. Tensions should relax in 1996, but the majority of French people remain uneasy at the social costs of moving to liberalism. Politics in France will remain interesting.

France's progress towards meeting the Maastricht criteria will continue to be a prerequisite for European monetary union in 1999. With French and German parliamentary elections due in March and November 1998, the aim of both governments will be to demonstrate the inevitability of meeting the Maastricht

and the air traffic controllers by taking on their unions in isolation. Belatedly, he has made concessions to the transport unions, ending the 35-hour public sector strikes. Union pressure is now being directed against the proposed cuts in the social security deficit. The markets would penalise any serious government

to bring the social security budget into surplus in 1997. He also launched attacks on public sector pension privileges and the railways deficit, multiplying his enemies and suggesting that he had failed to learn from the tactics of Mrs Thatcher and President Reagan, who defeated the miners

backsliding, and Mr Juppé is likely to keep his nerve in order to allow interest rates to fall further. Tensions should relax in 1996, but the majority of French people remain uneasy at the social costs of moving to liberalism. Politics in France will remain interesting.

France's progress towards meeting the Maastricht criteria will continue to be a prerequisite for European monetary union in 1999. With French and German parliamentary elections due in March and November 1998, the aim of both governments will be to demonstrate the inevitability of meeting the Maastricht

and the air traffic controllers by taking on their unions in isolation. Belatedly, he has made concessions to the transport unions, ending the 35-hour public sector strikes. Union pressure is now being directed against the proposed cuts in the social security deficit. The markets would penalise any serious government

to bring the social security budget into surplus in 1997. He also launched attacks on public sector pension privileges and the railways deficit, multiplying his enemies and suggesting that he had failed to learn from the tactics of Mrs Thatcher and President Reagan, who defeated the miners

backsliding, and Mr Juppé is likely to keep his nerve in order to allow interest rates to fall further. Tensions should relax in 1996, but the majority of French people remain uneasy at the social costs of moving to liberalism. Politics in France will remain interesting.

France's progress towards meeting the Maastricht criteria will continue to be a prerequisite for European monetary union in 1999. With French and German parliamentary elections due in March and November 1998, the aim of both governments will be to demonstrate the inevitability of meeting the Maastricht

and the air traffic controllers by taking on their unions in isolation. Belatedly, he has made concessions to the transport unions, ending the 35-hour public sector strikes. Union pressure is now being directed against the proposed cuts in the social security deficit. The markets would penalise any serious government

to bring the social security budget into surplus in 1997. He also launched attacks on public sector pension privileges and the railways deficit, multiplying his enemies and suggesting that he had failed to learn from the tactics of Mrs Thatcher and President Reagan, who defeated the miners

backsliding, and Mr Juppé is likely to keep his nerve in order to allow interest rates to fall further. Tensions should relax in 1996, but the majority of French people remain uneasy at the social costs of moving to liberalism. Politics in France will remain interesting.

France's progress towards meeting the Maastricht criteria will continue to be a prerequisite for European monetary union in 1999. With French and German parliamentary elections due in March and November 1998, the aim of both governments will be to demonstrate the inevitability of meeting the Maastricht

and the air traffic controllers by taking on their unions in isolation. Belatedly, he has made concessions to the transport unions, ending the 35-hour public sector strikes. Union pressure is now being directed against the proposed cuts in the social security deficit. The markets would penalise any serious government

to bring the social security budget into surplus in 1997. He also launched attacks on public sector pension privileges and the railways deficit, multiplying his enemies and suggesting that he had failed to learn from the tactics of Mrs Thatcher and President Reagan, who defeated the miners

backsliding, and Mr Juppé is likely to keep his nerve in order to allow interest rates to fall further. Tensions should relax in 1996, but the majority of French people remain uneasy at the social costs of moving to liberalism. Politics in France will remain interesting.

France's progress towards meeting the Maastricht criteria will continue to be a prerequisite for European monetary union in 1999. With French and German parliamentary elections due in March and November 1998, the aim of both governments will be to demonstrate the inevitability of meeting the Maastricht

and the air traffic controllers by taking on their unions in isolation. Belatedly, he has made concessions to the transport unions, ending the 35-hour public sector strikes. Union pressure is now being directed against the proposed cuts in the social security deficit. The markets would penalise any serious government

to bring the social security budget into surplus in 1997. He also launched attacks on public sector pension privileges and the railways deficit, multiplying his enemies and suggesting that he had failed to learn from the tactics of Mrs Thatcher and President Reagan, who defeated the miners

backsliding, and Mr Juppé is likely to keep his nerve in order to allow interest rates to fall further. Tensions should relax in 1996, but the majority of French people remain uneasy at the social costs of moving to liberalism. Politics in France will remain interesting.

France's progress towards meeting the Maastricht criteria will continue to be a prerequisite for European monetary union in 1999. With French and German parliamentary elections due in March and November 1998, the aim of both governments will be to demonstrate the inevitability of meeting the Maastricht

and the air traffic controllers by taking on their unions in isolation. Belatedly, he has made concessions to the transport unions, ending the 35-hour public sector strikes. Union pressure is now being directed against the proposed cuts in the social security deficit. The markets would penalise any serious government

to bring the social security budget into surplus in 1997. He also launched attacks on public sector pension privileges and the railways deficit, multiplying his enemies and suggesting that he had failed to learn from the tactics of Mrs Thatcher and President Reagan, who defeated the miners

backsliding, and Mr Juppé is likely to keep his nerve in order to allow interest rates to fall further. Tensions should relax in 1996, but the majority of French people remain uneasy at the social costs of moving to liberalism. Politics in France will remain interesting.

France's progress towards meeting the Maastricht criteria will continue to be a prerequisite for European monetary union in 1999. With French and German parliamentary elections due in March and November 1998, the aim of both governments will be to demonstrate the inevitability of meeting the Maastricht

and the air traffic controllers by taking on their unions in isolation. Belatedly, he has made concessions to the transport unions, ending the 35-hour public sector strikes. Union pressure is now being directed against the proposed cuts in the social security deficit. The markets would penalise any serious government

to bring the social security budget into surplus in 1997. He also launched attacks on public sector pension privileges and the railways deficit, multiplying his enemies and suggesting that he had failed to learn from the tactics of Mrs Thatcher and President Reagan, who defeated the miners

backsliding, and Mr Juppé is likely to keep his nerve in order to allow interest rates to fall further. Tensions should relax in 1996, but the majority of French people remain uneasy at the social costs of moving to liberalism. Politics in France will remain interesting.

France's progress towards meeting the Maastricht criteria will continue to be a prerequisite for European monetary union in 1999. With French and German parliamentary elections due in March and November 1998, the aim of both governments will be to demonstrate the inevitability of meeting the Maastricht

and the air traffic controllers by taking on their unions in isolation. Belatedly, he has made concessions to the transport unions, ending the 35-hour public sector strikes. Union pressure is now being directed against the proposed cuts in the social security deficit. The markets would penalise any serious government

to bring the social security budget into surplus in 1997. He also launched attacks on public sector pension privileges and the railways deficit, multiplying his enemies and suggesting that he had failed to learn from the tactics of Mrs Thatcher and President Reagan, who defeated the miners

backsliding, and Mr Juppé is likely to keep his nerve in order to allow interest rates to fall further. Tensions should relax in 1996, but the majority of French people remain uneasy at the social costs of moving to liberalism. Politics in France will remain interesting.

France's progress towards meeting the Maastricht criteria will continue to be a prerequisite for European monetary union in 1999. With French and German parliamentary elections due in March and November 1998, the aim of both governments will be to demonstrate the inevitability of meeting the Maastricht

and the air traffic controllers by taking on their unions in isolation. Belatedly, he has made concessions to the transport unions, ending the 35-hour public sector strikes. Union pressure is now being directed against the proposed cuts in the social security deficit. The markets would penalise any serious government

to bring the social security budget into surplus in 1997. He also launched attacks on public sector pension privileges and the railways deficit, multiplying his enemies and suggesting that he had failed to learn from the tactics of Mrs Thatcher and President Reagan, who defeated the miners

backsliding, and Mr Juppé is likely to keep his nerve in order to allow interest rates to fall further. Tensions should relax in 1996, but the majority of French people remain uneasy at the social costs of moving to liberalism. Politics in France will remain interesting.

France's progress towards meeting the Maastricht criteria will continue to be a prerequisite for European monetary union in 1999. With French and German parliamentary elections due in March and November 1998, the aim of both governments will be to demonstrate the inevitability of meeting the Maastricht

and the air traffic controllers by taking on their unions in isolation. Belatedly, he has made concessions to the transport unions, ending the 35-hour public sector strikes. Union pressure is now being directed against the proposed cuts in the social security deficit. The markets would penalise any serious government

## EUROPE

# Amsterdam AEX falls just short of its all time high

In a useful pre-Christmas rally for houses, AMSTERDAM just fell short of its all-time record high of 483.77 in a shortened, pre-holiday session. The AEX index finished up 1.15 at 481.52, up 0.5 per cent on the week.

Hunter Douglas rose F1.00 to F172.50 after saying that it would sell its 3 per cent stake in an Australian aluminium smelter.

Van Ommen rose 80 cents to F1.49, after announcing that it had acquired stakes in two Swedish tank storage and shipping companies for F130m.

PARIS was in good heart on the first day of the new account and the CAC 40 index advanced 38.99 or 2 per cent to 1,873.57, a weekly rise of 0.7 per cent. Turnover was FFR3.6bn.

Saia, the tobacco company, fell FFR2 to FFR180.4 investors, took profits following confirmation of its acquisition of a

stake in Polish cigarette maker. Saia stock had risen 5 per cent since Monday and almost 14 per cent since the beginning of December.

Lyonnais des Eaux gained FFR7 to FFR47 after the European Commission confirmed that it had cleared its takeover of the UK water distributor, Northumbrian Water.

Alcatel Alsthom rose FFR8.50 to FFR412.20 after the group said that it would sell its 2 per cent stake, valued at FFR1m, in Fiat of Italy next year.

Boygues climbed FFR6.50 to FFR499.40 as investors ignored news that the company chairman, Mr Martin Boygues, had been placed formally under judicial investigation.

Turnover dwindled to fall from HK\$3.4bn to HK\$2.4bn. Hutchison climbed 60 cents to HK\$46.20, compared to its offer price of HK\$1.80.

HONG KONG saw mild gains but most investors were squaring positions ahead of the holiday weekend. The Hang Seng index gained 24.69 to 9,932.20, up 0.7 per cent over the week.

Turnover dwindled to fall from HK\$3.4bn to HK\$2.4bn. Hutchison climbed 60 cents to HK\$46.20, compared to its offer price of HK\$1.80.

BANGKOK survived several bouts of profit-taking, and the SET index finished 9.91 higher at 1,283.30 on turnover of Bt1.2bn, for a weekly rise of 1.6 per cent. Thai Bank topped the active list, rising Bt1 to Bt10.20, while Bangkok Bank gained Bt4 to Bt20 and Thai Farmers Bank Bt2 to Bt17.

COLOMBO's volume rose on heavy institutional buying, but the all share index fell 2.15 to 699.55 as turnover moved up from SLR\$37m to SLR\$66m.

SHENZHEN B shares fell back in reaction to further declines in the newly-listed

exchange authorities were continuing ending the distinction between domestic and foreign tranches of blue chip stocks.

The Straits Times industrial index strayed 30.51 to 2,971.42, up 4 per cent on the week, in turnover of S\$36.1m.

The session's main rise came in City Development which soared 7 per cent to S\$40.80.

SHANGHAI'S B index hit a record low, off 1.02 or 2.1 per cent at 47.75 as investors continued to sell companies expected to have disappointing earnings prospects for 1996.

Volume was thin at \$5m shares worth HK\$1.6m.

JAKARTA liked telecommunications and cigarette stocks and the composite index rose 7.81 or 1.5 per cent to 512.79 for a weekly gain of 4.4 per cent.

Brokers remarked that buying in Teluk, which accounts for some 30 per cent of total market capitalisation, had been a major contributor to the week's rally.

SHENZHEN B shares fell back in reaction to further declines in the newly-listed

exchange authorities were continuing ending the distinction between domestic and foreign tranches of blue chip stocks.

The Straits Times industrial index strayed 30.51 to 2,971.42, up 4 per cent on the week, in turnover of S\$36.1m.

The session's main rise came in City Development which soared 7 per cent to S\$40.80.

SHANGHAI'S B index hit a record low, off 1.02 or 2.1 per cent at 47.75 as investors continued to sell companies expected to have disappointing earnings prospects for 1996.

Volume was thin at \$5m shares worth HK\$1.6m.

JAKARTA liked telecommunications and cigarette stocks and the composite index rose 7.81 or 1.5 per cent to 512.79 for a weekly gain of 4.4 per cent.

Brokers remarked that buying in Teluk, which accounts for some 30 per cent of total market capitalisation, had been a major contributor to the week's rally.











**INVESTMENT TRUSTS - Cont.**[illegible]

هذه امانة الامل







## France may make banks reveal transfers abroad

By Andrew Jack in Paris

The French government is attempting to force all banks with a presence in France - including French branches of foreign banks - to collect detailed information on all transfers of clients' funds of above FF100,000 (\$20,160) to other countries.

Banks would be required in response to a simple request from civil servants, without giving a reason, to provide details including the date and value of the transfer, the name of the beneficiary and the bank account number to which the money was transferred.

The new rules would be similar to those which apply in the US for sums above \$10,000. But the move has generated widespread fears in French banking circles about confidentiality, as well as the costs of implementation.

It has also revived memories of exchange controls, which were imposed by the industry and were progressively abolished after 1986. The industry is extremely sensitive about any move which might be a step back towards controls.

The French tax office and fiscal affairs department has sent a circular to all heads of banks operating in the country, demanding that they prepare data on any capital transfer abroad after January 1 with a value of more than FF100,000.

## Attempt to check funds seen as move towards exchange controls

Apart from monitoring under laws to combat drug-laundering, there is currently no requirement on French banks to report transactions of any size.

Some financiers believe the move is designed largely to help the government detect suspected tax evasion by people attempting to move money outside the scrutiny of inspectors.

It was originally drafted earlier this year at the time when the head of the cabinet of the French finance and economics ministry was an official who had previously headed the tax office.

The order is designed to cover transfers by individuals, associations and "non-commercial companies" - corporate transfers are not included. There may be penalties if banks refuse to comply.

The banking industry had not been expecting any tightening of

the rules. "The reaction ranges from astonishment to something like fury among the banks," one banking source said yesterday.

"It is a move back from liberalisation." Some in the industry fear a loss of business for France.

In common with many other countries, France operates a system designed to detect money laundering and trace other transactions suspected of being linked to "dirty money".

This monitoring system is based on a series of warning signs. Bankers fear the new system is far more crude, simply applying a broad-brush monetary threshold above which all transactions would be required to be notified to the authorities.

The French government last night played down the importance of this new instructions, saying they were simply implementing details in a 1989 law partly designed to clamp down on tax evasion and money laundering. It said tax officials already had powers to demand this information from banks.

## Brussels may seek to curb fishing fleets

By Deborah Hargreaves in London and Tom Burns in Madrid

The European Commission is to propose a fresh programme of capacity cuts in fishing fleets after a hard-won battle by ministers to soften the blow over catch size reductions for next year.

At a marathon talks between fisheries ministers and Commission officials in Brussels, which lasted through Thursday night, about 10 per cent was shaved off cuts proposed by the Commission in next year's quotas for some stocks.

However, most fishermen still face severe cuts in their catch sizes, including species such as North Sea plaice and sole which will be cut by a third.

The Commission said that the next round of capacity cuts had to go further towards reducing fleet sizes. It has to agree such cuts with member countries by the end of next year to implement them by 2002.

Over-fishing is endemic across the European Union. The Commission has prepared a report on the efficiency of member countries' policing operations which will be made public in the New Year. But officials said yesterday that no country was innocent.

"We have to get out of this vicious circle of cutting quotas, declining stocks and over-fishing by eliminating over-capacity," an official said.

After yesterday's agreement on 1996 catch sizes, Mr Luis Atienza, Spanish agriculture and fisheries minister, who chaired the 14-hour council of ministers meeting, said: "It was a laborious, detailed and difficult exercise. We have achieved a balance between reasonably sustainable fishing and socio-economic concerns."

The Commission, acting on scientific advice to preserve dwindling fish stocks, had proposed halving some fish quotas for next year, although others, such as North Sea cod, are being increased.

Spanish and Portuguese fishermen won important concessions on quotas for hake in the western waters around Ireland. Mr Atienza called the deal "non-traumatic" for the Spanish industry.

He managed to whittle down a proposed 34 per cent cut in Spain's hake quota to between 8 and 10 per cent and a 33 per cent reduction in the mackerel catch to 17.9 per cent.

Britain's fishing minister, Mr Tony Baldry, said he had secured 50,000 tonnes of cod, worth about \$45m, in higher quotas than originally proposed. Mr Barrie Deas, chief executive of Britain's National Federation of Fishermen's Organisations, said the British industry still faces savage cuts, with many fishermen being forced to cheat to survive.

Cheating to survive, Page 4

## THE LEX COLUMN

### Clear skies

Investors in US airlines have had a confusing week. Airline stocks rose sharply following an astonishingly bullish statement from USAir - only to sink again when United Airlines warned analysts that their earnings forecasts were too optimistic.

The market's sensitivity to the airlines' every word is not surprising. Following a round of third quarter results well ahead of expectations, hopes for the fourth quarter were running conspicuously high. More fundamentally, the market is finding it hard to adjust to an airline industry which is, for once, producing strong and stable profits. Economic growth has been healthy, and airlines are managing to resist the temptation to buy too many new aircraft. Most importantly, price competition has abated - notably following the withdrawal of Continental's aggressive low-cost operation, Continental Lite.

The real question for investors is whether this week's news suggests the outlook is starting to change. It does not. United succeeded in pouring cold water on some of the more extravagant forecasts, but its list of bad news - such as a weak yen and bad weather - included nothing to suggest a sustained drop in demand or prices. And given USAir's strong performance, it is difficult to get too worried about United's warning about more competition in one of its local markets.

USAir, though, does continue to have the real problem of exceptionally high labour costs. This is still a long way from being resolved. Despite its recent better-than-expected cost performance, it is too early for USAir to start cracking open the champagne.

#### UK telecoms

Britain's telecoms regulator is right to subject BT, the dominant operator, to close scrutiny. That is his job. And at first sight, his latest idea - a general ban on anti-competitive behaviour - sounds like the least he could ask.

But the proposal is not as innocent as it looks. At present, BT is subject to detailed licence conditions. If the regulator wants to clamp down on some things not strictly covered by the existing rules, he has to introduce new ones. This requires consultation, and takes time. Moreover if BT dislikes a new rule, it has to be referred to the Monopolies and Mergers Commission. Meanwhile, the regulator argues, the anti-competitive practice can continue unchecked.

If this is the regulator's worry,

FT-SE Eurotrack 200:  
1587.3 (+15.5)

US Airlines

Share prices relative to S&P Composite

US Air

United Airlines

Source: FT Epix

1995

1996

1997

1998

1999

2000

2001

2002

2003

2004

2005

2006

2007

2008

2009

2010

2011

2012

2013

2014

2015

2016

2017

2018

2019

2020

2021

2022

2023

2024

2025

2026

2027

2028

2029

2030

2031

2032

2033

2034

2035

2036

2037

2038

2039

2040

2041

2042

2043

2044

2045

2046

2047

2048

2049

2050

2051

2052

2053

2054

2055

2056

2057

2058

2059

2060

2061

2062

2063

2064

2065

2066

2067

2068

2069

2070

2071

2072

2073

2074

2075

2076

2077

2078

2079

2080

2081

2082

Broadgate's \$200m of borrowings a

finer interest rates.

This high gearing increases the group's sensitivity to movements in property values, particularly in the City which now accounts for two-fifths of the total portfolio. London office rents have risen by 30 per cent from their 1993 lows. Further improvements, which Mr Ritblat confidently expects, could be damped if more office space is built at Canary Wharf in docklands. In addition, Broadgate and Ludgate are now six years old and will face increasing competition from newer buildings. British Land shares have underperformed the stock market by a fifth over the past two years and stand on a 15 per cent discount to estimated net asset value - similar to larger rival Land Securities. For property enthusiasts, British Land is a stock to buy.

#### Geest

Geest should have sold its banana business a long time ago and spared its investors three awful years during which the share price more than halved. But at least it has secured a handsome price for the beleaguered disposal - \$1.62m is well above both asset value and City expectations.

Shorn of bananas and with \$50m of cash Geest looks an attractive target. Its remaining convenience foods operation, which supplies out-label chilled salads, soups and sauces to supermarkets, is number one in many of these niche markets - which are growing at 20-30 per cent a year. Margins of 5 per cent are decent by food manufacturing standards and reflect heavy investment - \$50m over five years. Following the disposal, Geest has ample resources to continue with its ambitious product development. At the same time, however, the group reiterated its warning that trading this year has been disappointing.

The \$1p dividend is likely to be just covered by earnings. The combination of strong market positions, poor short-term profitability and the lack of a chief executive is likely to tempt one of the bigger food groups like Hilldown Holdings, or Northern Foods. Geest's prepared food business should make pre-tax profits of about £12m next year, giving a value of £100m on a sector rating. With the cash added in, that suggests a price for the group of around 20p. Even after yesterday's 25 per cent jump to 192p, the shares have room for further upside.

#### British Land

After a hotly-fought campaign, Mr John Ritblat, British Land chairman, has finally won control of the City of London's Broadgate and Ludgate office developments. Together with other acquisitions, he has doubled British Land's property portfolio in two years.

As a result, the group is by far the most highly geared of the UK's big property companies. Even after raising \$400m of equity during 1995, debt will rise to 1.25 times net assets following the Broadgate deal. Financially there is little to worry about. Although interest cover is thin at 1.4 times, the bulk of British Land's debt is at fixed rates and extended maturities. It is balanced by secure, long-term leases with tenants. There is also an opportunity to re-finance

## How Christmas crumbled in a bombed Krajina town

By Gavin Gray, recently in Petrinja

Before the war, Catholics in the Krajina town of Petrinja celebrated midnight mass in a late 18th century baroque church. This year, a smaller number of the faithful will be gathered in a local sports hall.

Mr Zvonko Kastalic, a 30-year-old barman, will be spending his first Christmas for five years in his home town. He will miss the atmosphere of the now destroyed church and the many friends who were killed or have left the region.

"That building has no atmosphere and it will not be the same," says Mr Kastalic. "It's like I've come back to a different town."

An ethnically-mixed market town until war broke out in 1991, Petrinja became part of the rebel Serb republic of Krajina. Now, there are few Serbs in the region. Most were driven from their homes by the Croatian army during a brutal offensive in August.

Christmas was always compli-

cated in Krajina. The Serbs are predominantly Orthodox, and will celebrate January 7 as Christmas Day. The Catholic Croats celebrate on December 25.

The communists encouraged both sides to celebrate at New Year instead. But Christmas, like soccer, was one of the few ways for people to assert their nationality in the former Yugoslavia.

This year, the people of Petrinja, which once had a population of 20,000, but now has closer to 3,000, will be celebrating only on December 25. Few of the expelled Serbs, many of whom sought refuge in neighbouring Bosnia, are likely to return.

Mr Kastalic and some of his fellow Croats have started drifting back to repair homes that were wrecked by the Serbs, and by the Croatian army in its assault on the town. On returning, local Croats found the church was razed.

"It was in baroque style, built in 1780 and one of the finest of this region. All that's left now are the bells," said Father Ivica Sestak, Petrinja's newly

appointed priest. He wants a replica to be built, but expects it will take at least a year to raise the money.

Christmas has been exploited by Croatian President Franjo Tudjman, who has used it as an opportunity to stir nationalist passions and to present his party, the Croatian Democratic Union, as an ally of the church.

Mr Tudjman's photograph is on display in the office of Father Juraj Jeremic, parish priest in Gmina, 20km east of Petrinja. "I will be very happy to have heating by Christmas," he said.

Some 14,000 Serbs and 8,000 Croats lived in Gmina and its surrounding villages before the war. A few hundred elderly Serbs have remained and a few thousand Croats have returned.

As in Petrinja, the Catholic church was reduced to rubble but the town's Serb Orthodox is intact - it is unused and under armed guard ostensibly because of fears that local Croats might try to destroy it.

"I must admit that I am ashamed of this," said Father Jeremic.

## Insurance fees jump for Japanese banks

Continued from Page 1

confidence they would be in force by next summer. They are likely to prove a substantial extra burden on the already troubled banks.

Underlining the continuing fragility of the Japanese financial sector, Standard & Poor's, the US credit rating agency, yesterday lowered the ratings of four of the largest banks.

S&P said it was reducing the long-term ratings of Sanwa, Mitsubishi, Sumitomo and Dai-ichi

Kangyo banks and also the short-term ratings of Mitsubishi and Sanwa. S&P said the Japanese banking sector remained under considerable stress from a high level of under-reserved problem loans, exacerbated by a continuing slide in real estate prices.

Britain's fishing minister, Mr Tony Baldry, said he had secured 50,000 tonnes of cod, worth about \$45m, in higher quotas than originally proposed. Mr Barrie Deas, chief executive of Britain's National Federation of Fishermen's Organisations, said the British industry still faces savage cuts, with many fishermen being forced to cheat to survive.

Cheating to survive, Page 4

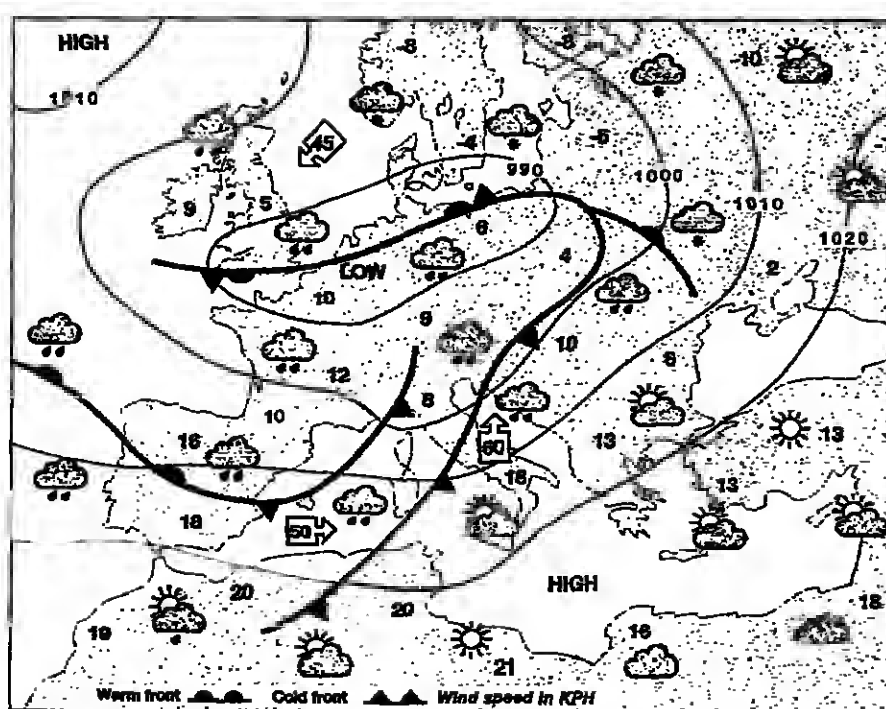
### FT WEATHER GUIDE

#### Europe today

Britain will be unsettled and wet, especially in the south and east, and snow is expected in Scotland, particularly on high ground. Ireland will be mainly dry. France and the Iberian peninsula will be unsettled with fresh westerly winds. Portugal will have torrential rain, and some heavy rain will also fall in France. Spain will have some showers, although coastal areas can expect sunny spells. The Alps, northern Italy and Croatia will be cloudy and wet, with snow above 1,800 meters, while Sicily and Greece will be mainly dry. Turkey will be sunny as a result of high pressure in the eastern Mediterranean. A front will move eastward across Belarus, causing rain over the Balkans and snow in the Baltic states.

#### Five-day forecast

The Mediterranean area will be unsettled, with heavy rain in Portugal, around the Adriatic and in Greece. France and the Alps will also have heavy rain, with snow above 1,800 meters. Low pressure moving towards Russia will bring cold conditions and snow to the Low Countries and northern Germany.



#### TODAY'S TEMPERATURES

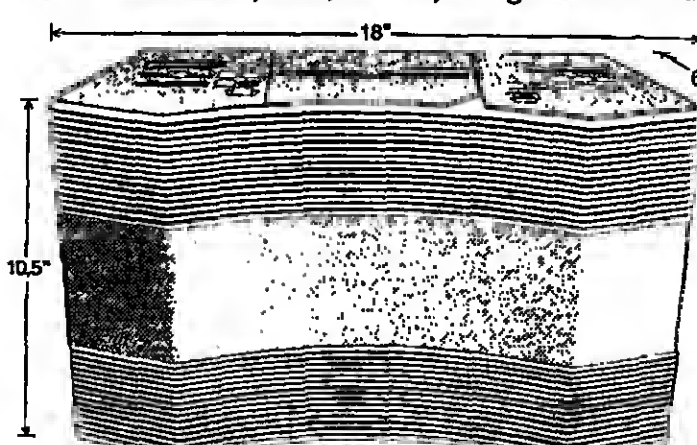
Location	Temp	Location	Temp	Location	Temp
Abu Dhabi	cloudy 24	Beijing	fair 2	Faro	showers 11
Accra	fair 30	Belfast	showers 15	Frankfurt	rain 10
Algiers	fair 22	Belgrade	cloudy 14	Geneva	rain 19
Amsterdam	rain 8	Bombay	fair 25	Madrid	showers 11
Athens	fair 15	Bogota	fair 19	Manchester	rain 17
Atlanta	sun 5	Bombay	fair 33	Melbourne	rain 20
B. Aires	rain 29	Brussels	fair 10	Mexico City	rain 23
Bangkok	rain 7	Dublin	rain 11	Miami	rain 24
Berlin	rain 11	Dublin	rain 11	Montreal	rain 7
Bombay	fair 33	Dublin	rain 11	Moscow	rain 10
Buenos Aires	rain 17	Dublin	rain 11	Murdoch	rain 12
Cape Town	fair 25	Dublin	rain 11	Nairobi	rain 18
		Dublin	rain 11	Nassau	rain 25
		Dublin	rain 11	New York	rain 23
		Dublin	rain 11	Nice	rain 17
		Dublin	rain 11	Osaka	rain 17
		Dublin	rain 11	Paris	rain 12
		Dublin	rain 11	Perth	rain 13
		Dublin	rain 11	Prague	rain 10

No other airline flies to more cities around the world.

**Lufthansa**

## THE SOUND WILL MOVE YOU WHEREVER YOU TAKE IT.

The Bose® Acoustic Wave® music system, the only thing that's limited is its availability.



Nothing else this simple sounds nearly this good.

Bose introduces an easier, more convenient way to enjoy superb sound - the Acoustic Wave® music system. The result of over 12 years of intensive research, this system is small (10.5" h x 18" w x 6.5" d) and light (less than 18 lbs.), so you can take it anywhere. More important, it is a complete sound system. With three speakers, two equalizers, three amplifiers, an AM/FM stereo tuner and a CD player. All built-in for ultimate convenience. What you hear is rich, natural sound. The heart of this lifelike sound is the Acoustic Waveguide® speaker technology, which has won Dr. Bose America's prestigious "Inventor of the Year" award.

As advanced as it is, this system is exceptionally simple to operate. There are no cables to connect. No dials to adjust. Just plug it in and start enjoying pure stereo sound.

Availability strictly limited. Not only is there a limited supply of the Acoustic Wave® music system, you also will not find it in any shop.

This system is only available direct from Bose. For a free information pack, simply call the free number or send/fax the coupon below. Or to try the system in your home for 14 days,